

STUDY COURSE

A B C

O F

M A R X I S M

IN TEN LESSONS

WITH FOREWORD & APPENDIX

Compiled under the direction of the Central Committee of
the Revolutionary Workers League of the United States
by

C A R L C O W L

DEMOS PRESS

BOX 141-ALFRED STA.

DETROIT, MICHIGAN

TO

L O U I S B A S K Y

worker, militant unionist, Marxist, proletarian revolutionist, party builder, tireless soldier in the war for the emancipation of the oppressed, who died August 18, 1938 at the age of fifty six, after forty one years of continuous service and sacrifice in the cause of his class, worn out by the strain of innumerable strikes, demonstrations, political strife and the daily grind of building the revolutionary movement.

Our comrade, Louis, is dead but the spirit, the faith and wisdom which are his legacy to us live on in the great truths of Marxism embodied in the following pages which inspire our movement. With the help of this pamphlet to which Louis contributed much in various ways other workers will come forward to close and swell the ranks of the army of proletarian revolution.

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introduction

The whole capitalist world is in a crisis from which it cannot recover. Everywhere society is in chaos and ferment. Unemployment and starvation; crises and war are shaking up the thinking of millions of American workers and impelling them on the road of struggle against the system which oppresses them and drives them toward annihilation in the impending slaughter. The coming world war, as did the last, will bring a train of revolutions in its wake. The first of these may be in the United States. The shiboleths of prosperity and democracy, the American way and patriotism are being revealed as capitalist snares to increasing thousands of workers, who are groping for a solution to the problem of existence.

Marxism is our only hope. Marxism is the science of human society which supplies the key to the development of social existence, past and present, and projects the direction in which it is moving - must move if it is to survive. It is the theory and practice of working class action, of proletarian revolution.

Marxism is the only sure guide by means of which the worker on the picket line can win his strike; the union man can defeat the bureaucrat who sells him out to the boss; the unemployed worker can win a piece of bread; workers' demonstrations can defend themselves against police brutality and the bayonets of the militia.

Marxism is the guide which alone can point out, lead and organize the struggle to smash the Fascist snake, turn the imperialist war into a civil war for the overthrow of the capitalist system, thus opening the way to a new and decent life.

The coming struggles will raise up thousands of bold, courageous and self-sacrificing working men and women who will constitute the vanguard of the coming revolution. To play their part they must understand the theory and practice of Marxism. To assist this work of education and training the Central Committee of the Revolutionary Workers League of the United States offers this course which has been in preparation for over a year.

May, 1939

Lesson One

THE BASIC IDEAS OF MARXISM

By a profound study of the modern capitalist system of production, Carl Marx was enabled to discover certain scientific laws that explain the general historical development of mankind. These laws constitute the basis for modern social science. Our work in this course will serve to illustrate and give some content to these laws. It is a preliminary to more exhaustive study.

Briefly, Marx's discoveries may be summarized under 4 headings:

A. THE MATERIALIST CONCEPTION OF HISTORY. The form of society in which men live is determined by the way they make a living, that is by what is called the mode of production. When the mode of production undergoes a change, the form of society changes accordingly. Economic factors are not the only ones that determine social evolution, altho they are basic ones. Social institutions are based on the prevailing mode of production, but these institutions and the ideas through which man becomes conscious of his environment also become forces in social evolution. Marx expressed this conception in the "Critique of Political Economy" as follows. "In the social production that men carry on, they enter into definite relations that are indispensable and independent of their will; these relations of production correspond to a definite stage of development of their material powers of production. The sum-total of these relations constitute the economic structure of society - the real foundation on which rise legal and political superstructures and to which correspond definite forms of social consciousness."

B. THE THEORY OF CLASS STRUGGLES. "In the work of production, men do not stand in relation to nature alone but also to each other." These relations are the relations of property. In modern society the few own the property, the many are propertyless. Men thus fall into different classes. Classes are the product of the mode of production. They have divergent and opposed economic interests. In the productive relations these contradictory interests bring about the class struggle. Every class struggle is basically a political struggle. Such a struggle carried to its highest expression becomes a complete revolution. With the abolition of capitalism and the establishment of the classless society class exploitation disappears and the class struggle is resolved. Human will enters into the class struggle. It can therefore be said that man makes his own history, although "not out of the whole cloth, but within the material conditions at hand. All history is the history of class struggles."

C. DIALECTIC MATERIALISM. The material world including society undergoes constant change. It evolves. It is never static in any absolute sense. Dialectics is the method of analysing and explaining the process of material and social change; it enables us to understand and deal with the contradictions inherent in class society. In the struggle between the two opposing and irreconcilable classes dialectics show how society is lifted to a new and higher plane where the opposing elements disappear in a new social synthesis. A change in the mode of production brings about the abolition of classes and a new evolution of humanity begins.

D. The LABOR THEORY OF VALUE. Capitalism can be characterized by the fact that by and large all human needs can be bought and sold in the form of commodities. Among other commodities the worker sells his labor-power to the boss who employs him. Now by capitalist law, whatever the worker produces belongs to the employer, who in return pays the worker only part of the value of his product in the form of wages. The value retained by the capitalist in this exploitive process is called surplus value. Under capitalism the class struggle centers about the relative portions of the value produced by the worker that go to the worker in the form of wages and to the capitalist as surplus value.

Required reading

The Communist Manifesto - Marx and Engels
Socialism, Utopian and Scientific - Engels

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Lesson Two

THE EVOLUTION OF SOCIETY

The deepest understanding and demonstration of the laws of social science (Marxism) can be derived from a study of the evolution of society from the beginning of time to the present. This evolution can be divided into four distinct stages: 1) Primitive Communism; 2) Chattel Slavery; 3) Serfdom (Feudalism); 4) Wage-slavery (Capitalism).

A. PRIMITIVE COMMUNISM. The earliest known system of society, of which there exist examples today in certain backward spots of the earth. Men lived together in groups known as gens or clans. These were units of a larger group called the tribe. This type of organization is built up on kinship or blood relationship. There was no private property, and hence no classes. The land was owned and exploited in common. While the simple tools and weapons of the period might be held and used temporarily by the individual, the products of labor were owned in common. Each person got what he needed from the common store or supply. Necessarily life was extremely primitive. Great changes in the material conditions of primitive existence brought about changes in social organization. Domestication of animals and the introduction of simple agriculture permitted man to be less dependent upon the hunt for his food supply. Thus he adopted new habits of life. A long period of social development under savagery and barbarism laid the basis for the system of chattel slavery.

B. CHATTEL SLAVERY. The extension of the domestication of animals and agriculture meant that more labor had to be expended and employed by the shepherd and planter in these industries. Labor became more valuable. Various tribes learned not to kill their captives in battle but to use them as slaves, because the captive could thus produce more wealth than was necessary to maintain him. Greece and Rome were the classical slave states of antiquity, although slavery existed in all

parts of the world where society was emerging from primitive communism. Slavery arose through the development of private property in land and the recognition of the "right" to mortgage, to buy and sell land. The debtor who failed to pay his debt became the slave of the creditor. The rise of private property broke down the old tribal system of life. It introduced a new form of social organization: the state. The state was created by the propertied class to protect their property from those who possessed no property. But the very system of slavery proved its own undoing. Freemen could not compete with slaves and themselves fell into slavery. The system was extended to such an extreme, wealth became concentrated into so few hands, that the whole system was weakened from within by corruption and rebellion and fell under blows from without by invasion. The prevailing mode of production under chattel slavery was agricultural.

C. FEUDALISM. Feudalism is a dictatorship of an armed ruling class over an unarmed peasantry based on a system of land tenure. It grows up in the period of incessant warfare following the dissolution of the slave states. A special class of warriors arises to "protect" the toiling peasants in order at the same time to exploit them. The peasants became "bound" to the soil. The military leaders assume hierarchical ranks from a king and nobility down to the knight. Feudalism is a "static" system in that it exists in local isolation with fixed customs. Economy is at a subsistence level. Money economy, trade, the new luxuries from the East, the rise of towns within the feudal economy - all these are alien and inimical elements that arise to break down the feudal system and gives way to the modern system of capitalism. Agricultural production gives way to hand tool production (handicraft). Feudal economy loses its fight with handicraft production which is much more efficient. This development gives birth to what we call capitalism.

D. CAPITALISM. Capitalism arises out of exchange economy, trade, buying and selling in the market. The rising merchant class spread this system over the entire globe and created the world market. Everything becomes a commodity, a useful article produced not for consumption by the producer but for sale on the market. It is this system that we shall study more in detail in this course. The capitalist mode of production, based on the monopoly and private ownership of the means of production, is distinguished from all other past and future modes of production by: 1) wage-labor; 2) commodity production; and 3) surplus value.

Required reading

The Origin of the Family, Private Property
and the State - Engels
The Communist Manifesto - Marx and Engels

Suggested reading

The Evolution of Property - Paul Lafargue
Two Pages From Roman History - Daniel DeLeon
The Mark - Engels
Marxism and Darwinism - Pannekoek
Ancient Society - Lewis Morgan

Lesson Three

DIALECTIC MATERIALISM

We now enter an important stage of our study - the discussion of dialectic materialism, the method by which scientists analyse the objective world and arrive at their conclusions. Dialectic materialism is the science of evolution of matter. It is the "science of the general laws of motion and development in nature, human society and thought" - according to Engels.

A. SOCIETY AND SCIENCE IN THE 18TH AND 19TH CENTURIES. By the middle of the 18th century, the development of capitalism had gone far. In England it had practically conquered; in France it was about to conquer. The bourgeoisie had acquired tremendous wealth because of the possibilities for increased production which the physical sciences opened up for it. By the 19th century, not only had the bourgeoisie conquered most of the world but the proletariat had sharply differentiated itself from the bourgeoisie and had begun to struggle in its own behalf.

The bourgeoisie gave a tremendous impetus to the physical sciences. Later, in attacking the citadels of feudalism and in building its own economic foundations, it began to develop the social sciences to a certain point: economics, sociology, jurisprudence. But because of the social implications of these sciences to the bourgeoisie their scope and development was limited. It becomes increasingly clear that only the proletariat can possibly develop these sciences properly.

In 19th century society, dominated by metaphysical dogma and theology, certain attitudes in the sciences became more and more definitely established. Kant and Laplace were the first in modern times to apply the idea of evolution to the astronomical world in their theory of the development of the solar system. In 1858 the same idea was applied to the development of animal and plant species by Charles Darwin. Marx and Engels expressed and applied hypothetically the same idea of evolution to society in 1843-4. But even before the latter two applications, the conception of evolution had taken hold of the philosophical world, beginning with Kant and culminating, in an idealistic form, in Hegel. Revolutionary changes taking place in society at that time emphasized the idea.

B. DEVELOPMENT OF THE DIALECTIC FROM KANT TO HEGEL. Without clearly understanding the significance of his analysis, Kant nevertheless did extraordinary work in showing the contradictory nature of universal principles when applied to the material world. To Kant the dialectic (the logic which analyses and points out the contradictions in the world) acts as a shield against the misuse of reason. To him the dialectic was the logic of illusion and proved that to know TRUE REALITY is impossible.

Hegel took the dialectic of Kant seriously. He declared however that the world (reality) was contradictory by nature. He showed that the dialectic was not the logic of illusion but the logic of reality. But as an idealist, he declared mind or spirit to be independent of and superior to matter. He assumed God, or spirit, to be the source of all things. God is eternal and harmonious, according to Hegel, though he reveals himself in the form of contradictions, i.e. development.

The general process of development by contradictions was formulated by Hegel into a series of fundamental principles which can be summarized as follows: (a) Transformation into opposites; (b) Quantity differences cause quality changes; (c) Negation of the negation.

The first law (a) means that anything, under certain conditions, can be transformed into a thing having exactly the opposite nature. (Primitive society based on collective ownership of property is transformed, under the influence of certain factors, into a society based on private ownership) The second law (b) means that the continued addition of identical elements leads to a change in the properties of the thing added to. (Add successive units of heat to water changes it into steam) The third law (c) means that under certain conditions a thing not only changes into its opposite, but if the development continues, it changes back into its former self but on a different plane, and with an added difference. A new cycle of development now begins again with the generation of new opposite

While Hegel formulated the laws of the dialectic correctly in the formal sense, he could not apply them because, as an idealist, he used them to deduce realities from ideas instead of shaping ideas to reality. He tried to make the world conform to his ideas, instead of making his ideas conform to the world. He assumed as true what had to be proved as true.

C. THE LAWS OF DIALECTIC MATERIALISM. 1. Law of the Unity of Opposite ("polar unity of all things"-Lenin; thesis-antithesis - Hegel) Every developing situation contains contradictory elements (opposites). These opposites involve each other. One of these opposites is positive in the sense of resisting change; the other is negative, in that it seeks to destroy both itself and its opposite. FIRST COROLLARY: Opposites are not mere differences. They must involve each other's existence. The existence of one implies the existence of the other; the destruction of one implies the destruction of the other. Example one: The existence of the capitalist class involves the existence of the working class; the existence of the working class involves the existence of the capitalist class. The capitalist, one who hires and exploits workers, is unthinkable without workers. Neither could the wage-worker exist, for without capitalists to whom could they sell their labor-power? Example two: The capitalist class represents the positive element in modern social development. It seeks to keep intact the worker-capitalist relationship. The proletariat is the negative element. It seeks to destroy both the capitalists and itself by creating a classless society. SECOND COROLLARY: REAL opposites are those by which the development of a situation can be explained. False opposites cannot do so. Example one: St. Simon divided men into workers and idlers. This mechanical, non-dialectical antithesis is not capable of demonstrating social development. It therefore must be rejected. THIRD COROLLARY: Opposites capable of explaining development cannot be selected through inner contemplation; but only through experiment, careful analysis and test. Only in this way can the spurious opposite be detected from the true. FOURTH COROLLARY: Opposites must involve a going-beyond, a development into a new situation in which they lose their original character. Otherwise they are not real opposites. Example: Empedocles, Nietzsche, Spengler conceive the world as eternal repetition of what existed before. This concept denies that essential change can take place, that new properties can ever emerge. FIFTH COROLLARY: In real situations opposites are often complicated by other opposing forces which influence the fundamental opposition. Example:

Capitalism today is not pure capitalism, consisting only of two classes; it contains the remnants of feudalism, also intermediate classes like farmers and professionals. SIXTH COROLLARY: There may be additional contradictions developing on the basis of the old opposition. Example: With the development of credit, money economy is subjected to new factors operating according to new laws, which complicate the fundamental laws of money economy. Example: Atoms combined in the form of molecules carry their contradiction to a higher plane when molecules combine to form complex organic compounds known as colloids, etc., up to the appearance of living matter.

SUMMARY OF FIRST LAW: We have stated the law of the co-existence or unity of the opposites. We have therefore stated the BASIS for change. We will now state the laws of change themselves, that is, the operation of these antagonistic forces thru TIME.

2. Law of Quantity Into Quality (Quantity differences cause quality changes, and vice versa) This law, as Hegel stated it, asserts that the addition of elements identical in their properties to a given situation will suddenly or ultimately change the properties of the situation. This law is a fundamental law of matter whose action in nature and society can be traced step by step. Example one: In geology, many illustrations. The addition of sand particles to a given area ultimately leads to the formation of rock. The addition of more rock superimposed on the old rock leads to the transformation of this sand-stone into another metamorphic rock like schist or slate. Example two: In biology, it can be illustrated in cell-fission. Simple increase in volume of the cell due to addition of content leads to splitting up of that cell in two. Further the mere aggregation of cells ultimately leads to differentiation of function: outer skin, inner organs, excretory, etc. Example three: In political economy, numerous illustrations. Money must accumulate to a certain point before it can function as capital to buy machinery, raw material and labor. The working class must reach a certain size before the overthrow of capitalism can be accomplished. The aggregation of money in banks must reach a certain size before it can supercede industrial capital. Markets must reach a certain size before they can support large-scale machine industry which superceded handicrafts. NOTE: This law has meaning only where the field of its operation is specified. For example, the mere accumulation of shoes will not alter the shoes, although it will have a terrific effect on the price of shoes. The mere accumulation of water in a given area will not change the character of the water, but will have an enormous effect on the habitat of humans.

3. Law of the Negation of the Negation ("permeation of opposites"-Lenin; thesis-antithesis-synthesis - Hegel) A basic, general law of motion. This law asserts that, in changing, a thing is permeated by and transformed into its opposite (negation) It is then permeated by and transformed into the opposite of the opposite (negation of the negation) that is to say, the original thing, only this time complicated by other factors - on a different plane. Example: Primitive communism, a controlled society, collective in character develops into its opposite, a class society, based on private property, and uncontrolled. Class society returns to its original status of a controlled, collective society, which, in turn, lays the basis for the development of further contradictions on new planes. Each stage is created by the generation and triumph of the opposite which destroys the entire previous relationship.

D. METHODOLOGICAL CONSIDERATIONS. 1. To be scientific the dialectic must be based on materialism. It should be obvious that the world must be conceived as independent of the human mind. The dialectic grew out of the need for a method of explaining motion and change in the material world. 2. The dialectic process is always subject to test and proof by demonstration. The mere knowledge of the existence of the dialectic process does not give you the right to declare that a certain law is operative in a given situation, unless it is SHOWN to be operative. It must be shown to inhere in, to describe the nature of the transformations taking place. In short, it must fit the facts. (See Hegel's failures.) 3. The dialectician must acquaint himself thoroughly with the facts. The dialectic does not of itself reveal the secrets of nature. It helps reveal the movement and changes in reality only when we have thoroughly acquainted ourselves with its past and present. 4. The proof of the dialectic depends on the fact that the world moves dialectically, and not the other way round. The dialectic does not regulate how the world shall move. Matter, changing dialectically, is proof of dialectics. In other words, the dialectic is subject to the fundamental test of practice.

E. RELATION OF FORMAL LOGIC TO THE DIALECTIC. 1. Logic, i.e. formal logic, aristotelian logic, is non-dialectical. It assumes that nature is static and not contradictory; that a thing cannot be itself and something else; that every thing is entirely different from everything else. This metaphysical attitude which formal logic emphasizes grows out of the fact that at first mankind thought of things as entities. Because things changed so slowly, they seemed distinct from each other. He therefore discounted all change or motion. It also arose from man's natural desire to have things sharply and clearly distinguished and to overlook the vague and obscure. 2. Nevertheless, logic is a useful science and has a very definite place in scientific thinking. Science succeeds in making distinctions that are clear and sharp, whose logical relations are well-defined. Here logic plays an extremely useful role. It is also useful in revealing mistakes in thinking due to ambiguous concepts or conclusions derived which are not warranted by the premises. When the domain of logic is properly delimited, it becomes part of the general science of the dialectic, a special phase of the dialectic. 3. All scientific method is really dialectical. It formulates the methods by which reality and its changes are discovered. It is therefore a formulation of dialectics. Most books on the scientific method are handicapped by a static approach. So far as it has gone, however, it has approached a clear statement of the dialectical method. 4. Broadly speaking, therefore, dialectics is that science which deals with the general laws of motion; with those properties all motions have.

Required reading

Critique of Political Economy - Marx; Introduction
 Anti-Duhring - F. Engels; Chapters XII and XIII
 Materialism and Empirio-Criticism - Lenin; Appendix on Dialectic
 Fundamental Problems of Marxism - Plekhanov; Chapter V
 Feuerbach - F. Engels; pp 94-8 (on Hegel), pp 60-2 (on Kant)

Suggested reading

Historical Materialism - N. Bucharin; Chapter on Dialectic
 Dialectic Materialism - A. Thalheimer; a brochure

Lesson Four

THE DEVELOPMENT OF CAPITALISM

The clearest understanding of the Marxist conception of history can be obtained by studying the actual evolution of the mode and technique of production and tracing the effects of these changes on social institutions and class relations. We will now single out some of the more important factors to help build a background for our future study. The following is a brief survey of the rise of capitalism and its further course of development.

A. THE RISE OF CAPITALISM. Capitalism arose after a long period of struggle between the feudal nobility and the church on one hand and the rising class of merchants and manufacturers on the other. The latter were the revolutionists of their time. They represented a new order of society and swept aside the remnants of feudal power in a series of revolutions which began in Britain in 1642, reached a climax in France in 1789 and found further expression in the revolutions of 1848 in Germany, Italy and Austria. As a result of this combined economic and military struggle, the merchants and manufacturers triumphed and established the system of society known as capitalism. They became the new exploiters of labor. The old feudal state and the church were transformed into instruments at the service of this new class.

B. THREE CONDITIONS NECESSARY FOR THE RISE OF CAPITALISM. However, before capitalism could arise, three major conditions had to exist: One, trade or commerce must have been developed to world-wide scale; Two, a certain degree of wealth must have been accumulated by a small group of people; Three, there must have arisen a new class of people who have nothing to sell but their power to labor and who are compelled by these circumstances to sell their labor-power in order to live.

C. DEVELOPMENT OF TRADE AND MONEY ECONOMY. Trade existed in primitive form even in prehistoric time, first as simple barter of goods for goods, and then through the employment of tokens to facilitate exchange (wampum, cowrie shells). Precious metals were used as tokens later. Finally, with the rise of villages and early manufacture, the need for money, a universal commodity, arose. So, the precious metals were coined and stamped.

The use of money has the following effects: (1) all goods used in exchange become commodities; (2) wealth is concentrated in the hands of merchants; (3) products of labor pass out of the hands of the producers and are no longer under their control; (4) nobility is forced to use money; (5) the merchant class becomes dominant within the framework of, and undermines, the old feudal society.

D. THE AGE OF DISCOVERY AND THE ESTABLISHMENT OF THE WORLD MARKET. During the middle ages, two main commodities were imported from the East: spices for the preservation of food; silks for the ruling class. Italian and Hanseatic cities became rich and powerful through this trade with the Orient. But in the 14th century, the overland route to the Mediterranean was conquered and closed by the Seljuk Turks. The need for new routes brought on the age of discovery and colonization. The discovery of the compass made possible extended sea travel. Metals, textiles, clock-making, navigation, astronomical instruments, printing and scientific research in general, kept pace with the tremendous development of industry.

Bourgeois economists ascribe the origin of wealth to individual initiative, industry, frugality and far-sightedness. Truth of the matter is that private wealth has always grown through theft, plunder and conquest. The invention of gunpowder and cannon revolutionized warfare, putting the common man in the military sense on an equal footing with the armored noble on horseback. Standing armies of common people were used to subdue the nobility and consolidate nations. The discovery of Africa, America, India and China meant an enormous growth of markets and trade. Production spurted. Europe went mad for precious metals to act as money. The frightful extermination of natives was part of this frenzy (Cortez in Mexico, Pizarro in Peru). The second half of the 16th century was a period of colonization aided by exploitation of virgin lands with slaves. From 1508 to 1860 15,000,000 negroes were landed in America from Africa. About the same number, it is estimated, died on the way. Many cities got their primary accumulation from the slave trade. The vast improvement in transport and communication resulting from the extension of world trade, helped transfer culture from one land to another. Thus cotton was introduced to England from India, potatoes and tobacco from America to Europe.

E. EARLY MANUFACTURES IN ENGLAND. The factory system first came to England from Flanders. Wool manufacture became so important to English merchants that they revolutionized the entire English agricultural system. For the purpose of raising sheep large tracts of land were taken by force and fraud from the peasants and villagers who held the land in common and were "enclosed" for pasturage (See the "English Laborer, 1300 to 1925" by M. and T.R. Fordham). The peasants, driven off the land and into the towns, were converted into wage laborers in the newly rising factories.

Division of Labor. The factory system was not marked at first by any subdivision of labor within the crafts. A factory merely housed the craftsmen. But this assembling of workers and artisans under one roof made possible the minute division of labor within each craft, and later to apply machinery to the simpler mechanical tasks. The first simple division of labor gradually gave way to more complex division and finally, with the industrial revolution, to MACHINOFACURE. Thus we see how the need for goods to exchange for imports from the Far East leads to new methods of production. A series of remarkable inventions: spinning jenny, power loom, steam engine, etc. by Hargreaves, Arkwright, Compton, Watts and others, completely revolutionized the methods of production. Skill was transferred to the machine. Less skilled labor was substituted for more skilled; female for male labor; child for adult labor. These developments mark the beginning of the period of modern industry.

F. EFFECTS OF THE INDUSTRIAL REVOLUTION.

1. Workers become machine tenders. Highest division of labor arises in the factory, in society and on an international scale.
2. The two main classes of modern society arise.
3. Industry concentrates in towns and cities. Large costly machines require special buildings. Workers are thrown into poverty-stricken homes around the factories.
4. Sharp division between town and country. "The foundation of all highly developed division of labor that is brought about by the exchange of commodities is the cleavage between town and country. We may say that the entire economic history of society is summed up by the development of this cleavage between town and country."-- Marx (Capital)

G. THE ENGLISH REVOLUTION OF 1649 TO 1688. This was the first social revolution; that is, the transformation of the foundations of society on a vast scale and a brief time, and the establishment of new class relationships. At first the bourgeoisie united with the king in a common struggle against the lords. The Crown was granted large sums by the House of Commons. In return it received remission of duties and other aids to free trade. The merchants helped to make the Crown powerful, thus establishing and unifying the national state. But the Crown then became the last stronghold of feudalism, making ever greater demands for money on the merchants. Under the prerogatives of feudalism, the King granted trade monopolies to his favorites. Gradually the merchants achieved a national outlook. They felt a need for a strong political power to protect their interests, a centralized capitalist government with a powerful navy to protect their ships against pirates. They needed a stable currency untampered by the King's whims. When Cromwell finally overthrew the King and a "capitalist" monarchy was set up, the bourgeoisie established the Bank of England, a public debt (to stabilize money and values by acting as a safe, guaranteed field of investment), a strong currency and a strong navy.

H. THE FRENCH REVOLUTION OF 1789 TO 1793. (P. Lafargue- "Evolution of Property"). Here again the merchant class could overthrow feudalism only with the aid of the exploited masses, the peasants and workers. Under the slogan of "Liberty, Equality, Fraternity", this revolution was an attack of one form of property on another. It achieved the liberty and equality of capitalist property owners. The French Revolution, like the English, rid the merchants of trade restraints, permitted the unhampered development of new forms of property, set up a national bank, a public debt, a stable currency and a strong national military force.

I. THE AMERICAN REVOLUTION OF 1776. Here also those who did the actual fighting were betrayed. The revolutionary masses were composed of small farmers and artisans. From 1783 to 1789 the Left Wing of the revolution still remained in control and prevented the formation of a strong centralized capitalist government which could be used against their interests. By a coup d'état the richer sections of the population led by Hamilton maneuvered the adoption of the Constitution over the opposition of the "Lefts". Under this constitution the propertied interests established their national bank, public debt, stable currency and strong central authority supported on bayonets.

J. NEW FORMS OF OPPRESSION AND EXPLOITATION. In all bourgeois revolutions the exploited classes are betrayed at a certain stage. The capitalists, having succeeded in gaining power, compromises with the older ruling class to "put the lower classes in their place." The first act of the Cromwell revolution was to crush the Levellers. As Cromwell said: "You have no other way to deal with these men but to break them, or they will break you." Similarly the French Revolution declared against all combinations of labor almost immediately.

The capitalist was actually released from all responsibility of labor upkeep. This was now up to the "free" laborer himself. The worker is "free to work for wages in the new factories - or starve. The peasant was promised the land and freedom from feudalism. But the bourgeoisie subjected them to new and more intense exploitation. The land was once more taken from them and put into the hands of large property owners.

"History shows that when a subject class becomes the ruling class it is prepared to compromise with the old ruling class in order to consolidate all the propertied interests of society against the interests and demands of the propertyless." - Lafargue.

Required reading

Communist Manifesto - Marx and Engels; finish Part I
 Socialism, Utopian and Scientific - Engels; Chap. II
 Capital - Marx; Volume I, Part VII
 Whither England? - Trotsky; Chapter on Chartism
 Evolution of Property - Lafargue; p. 166 on

Suggested reading

Capital - Marx (Eastman edition); Chaps. 15 and 21
 French Revolution - P. Kropotkin
 Condition of the English Working Class in 1844 - Engels
 English Laborer, 1300 to 1925 - M. and T.R. Fordham

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Lesson Five

SURPLUS VALUE AND CAPITALIST PRODUCTION

The application of the materialist conception of history to the problems of the class struggle under capitalism demands a knowledge of scientific economics. While Marxist political theories are based on the concept of the state, scientific economics is based on the labor theory of value. First we will analyse the relations between labor, wage-labor, labor-power, value and the transformation of living labor into crystallized labor.

A. THE HISTORIC DEVELOPMENT OF LABOR. Under chattel slavery, the slave's labor appeared to be unpaid labor. Under capitalism, the worker's labor appears to be paid labor. Both these appearances are false. The slave got the minimum necessities of life as "pay", while the wage-slave under capitalism gives the boss the greater portion of his product as unpaid labor. Historically this difference represents a change in the form of slavery. With the development of feudalism slavery was transformed into serfdom. This form in turn was changed into wage-labor with the spread of the capitalist mode of production. The slave himself was a commodity bought and sold by slave-owners. The wage-worker is not a commodity but his labor-power is. Deprived of the ownership of the means of production the worker is forced to auction off hours of his life in order to survive. Apologists for capitalism deny labor-power is a commodity though they concede that the slave was a commodity.

B. THE COMMODITY. Simply defined, a commodity is a useful thing produced for sale on the market. It is the basic unit of all capitalist production. Labor power appeared as a commodity with the advent of the capitalist mode of production. The wage-worker sells his labor-power for a definite period of time: by the hour, day or week; not for all time. That is why the wage-worker is called a free man. He is "free" to sell his labor power on the market as a commodity, or starve. He has no other commodity to sell.

C. THE MOTIVE FORCE OF CAPITALIST PRODUCTION. When we examine the method of capitalist production, one thing strikes us immediately: goods are produced not for use but for sale. To be saleable all goods must have use-value, must supply some human want. But not all use-values are commodities, do not embody labor. The manufacturer or farmer does not produce goods because they are useful alone, but because he can sell them. In capitalist society food is not grown to eat, nor is clothing made to be worn, nor are houses made to be lived in. No matter how great the need for it, the good will not be produced by a capitalist unless it can be sold. Capitalist production is commodity production - for the market.

D. LABOR AND LABOR POWER. Labor closely resembles and is often confused with labor power. Labor power is owned by the worker and is his until it is sold and used in the production process. It is potential labor. It is the commodity sold by the laborer. The capitalist buys labor power as a commodity, takes it to his factory and puts it to productive use. Here potential labor is converted into dynamic or realized labor. Dynamic labor and the commodities it produces become the private property of the capitalist by virtue of his monopoly of the means of production. As soon as labor power enters the productive process it is consumed in the form of labor and ceases to be a commodity. Labor is as different from labor power as the machine is from the work it performs.

E. THE VALUE OF COMMODITIES. Commodities exchange for one another on the market by virtue of some common quality or character that can be measured. As use-values, commodities, being different, cannot enter into quantity relations. As exchange values, however, commodities, being the same, can enter into quantity relationships. If we ignore their natural qualities (use-values) there remains only one common quality or likeness: they are all products of (abstract) human labor, a social, not a natural quality. How is the exchange value of a commodity measured? By the number of hours of labor socially necessary to reproduce it. Value must not be confused with price. The latter fluctuates according to supply and demand. But the level around which it ebbs and flows can be determined only by the amount of labor embodied in them. It would seem then that "the lazier or clumsier the man, the more valuable is his commodity. This, however, would be a sad mistake. You will recall I used the word 'social' labor, and many points are involved in this qualification. . . we mean the quantity of labor necessary for its production in a given social average intensity, and average skill of labor employed" (Marx - Value, Price and Profit, p. 61) Labor power, however, is also a commodity, since the worker sells it on the labor market. The value of labor power "is determined by the value of the necessities required to produce, develop, maintain and perpetuate the laboring class." (Same, p. 75) In other words, the amount of labor it takes to produce the labor power. Wages are the price of labor power. Behind wages is concealed a relationship of exploitation.

F. SURPLUS VALUE. Marx discovered that labor power is different from all other commodities in one fundamental respect. He found that a worker, in consuming commodities which takes, let us say, four hours of socially necessary labor to produce, stores up enough energy to work much more than four hours. In other words, labor has the ability to produce surplus value. By means of his monopoly of the means of production, and because the worker must sell him his labor power, the capitalist takes advantage of the ability of the worker to produce surplus value. He takes from the worker 8 or 10 hours and in return gives the worker the four hours pay which the worker needs to restore his energies.

Surplus value is the unpaid portion of the value of the commodity produced by the worker. It is the source of profit. The degree of exploitation is the ratio between paid and unpaid labor. It is not dependent on the amount of wages. Colonial workers whose wages are low are not exploited to the degree that the highly developed industrial workers are, although the latter receive a far higher wage. The worker receives in wages the full value of his labor power. The capitalist realizes surplus value by selling commodities at their value.

"Let us now consider society as a whole. We are not interested in any individual capitalist or any individual worker. We are concerned with how the whole gigantic machine called the capitalist system is arranged. The capitalist system employs a vast number of workers. Capital pays them wages, the value of their labor power. This money enables them to renew their labor power, to be again expended in the service of capitalism. The working class not only pays for itself by its own labor, but creates also the income of the upper class - surplus value. Through innumerable channels this surplus value flows into the coffers of the ruling classes: the capitalist himself receives his share - profit; a part goes to the landlord - rent; a part goes to the capitalist state in the form of taxes; a part to the merchants, shopkeepers, clergymen, etc. On this surplus value live all the parasites who are created by the capitalist system."

The exploitation of labor is the source of the irreconcilable conflict between the classes. It is the driving force behind the working class for the abolition of capitalism and the wages system.

G. THE TWOFOLD CHARACTER OF LABOR. Marx first demonstrated that labor power, like all other commodities, has use value and exchange value; that is, it has the quality of being concrete and abstract. "This is the pivotal point on which a clear comprehension of political economy turns." The twofold nature of labor does not signify two different kinds of labor, but two qualities of one and the same labor. (1) Labor creates use-values. Use-values invariably take a special, particular (concrete) form such as tailoring, shoemaking or an operation in machine production. (2) Labor has the second quality of creating exchange value. As such it takes a general or ABSTRACT form. Abstract labor is homogeneous, undifferentiated social labor. It can be measured in time units.* Craft or skill generates a distinction between simple and complex labor. In computing the value of a commodity complex labor must be reduced to simple labor of which it is composed. It is now clear that value originates not in nature but in society. It is not a relation between things but between men.

H. MONEY. Money is the standard of price and the measure of value. In this sense it serves as a medium of circulation. Gold and silver by nature are not money. They are used for money because the physical properties of these metals enable them to function best as money. This is possible because gold and silver coins are themselves commodities embodying crystallized labor. Money does not express value directly, but indirectly, as price. "Price is the money name of value realized in a commodity." It is a monetary expression of value. Paper money facilitates circulation and functions as part of capitalist bookkeeping. It can replace gold as a medium of circulation but cannot be a standard of value. Gold and not paper is the equivalent of socially necessary labor time embodied in commodities.

* NOTE: Two "technology" engineers, L.P. Alfred and J.E. Hannum, advocate measurement of production by "kilo-man-hours" or kmh's as a basis for capitalist planning. In the final analysis this is the recognition by eminent capitalist engineers of the labor theory of value.

I. CAPITAL. All commodities are reduceable to crystalized labor time. Capital is a special form of commodity which multiplies itself by causing labor to create surplus values. It exists in various forms: as money; as machines, buildings, land, etc.; and as accumulations of goods, raw materials, etc. It is a social relationship, by which the capitalist uses labor for the creation of new surplus values. "It is the lordship of past stored-up, realized labor over actual, living labor that transforms the stored-up labor into capital." (Marx - Wage-labor and Capital, p. 31) "Capital does not consist in the fact that stored-up labor is used by living labor as a means for further production. It consists in the fact that living labor serves as the means whereby stored-up labor may maintain and multiply its own exchange-value." (Same)

The mere development of commodities and money does not suffice for the advent of capital. Capital was born only when the development has proceeded to the point where the owner of commodities and money meets in the market and purchases the "free" laborer's labor power. The appearance of capital in history marks a new economic epoch.

J. THE ACCUMULATION OF CAPITAL. Not all the surplus value that the capitalist expropriates is used up by the capitalist for his immediate needs. Most of it is used over again in further production. He adds it to his capital. He extends his undertakings. He installs more productive machines, thereby displacing workers and creating an "industrial reserve army". He builds greater plants. This new industrial machinery, this increased capital, set in motion by labor, receives still greater quantities of surplus value. Thus capital rolls on like a snowball, with every turn gathering larger masses of surplus values.

K. THE ANARCHY OF THE CAPITALIST SYSTEM. As is now apparent, capitalism is not a well-ordered society. Resting on exploitation, it is split into classes. No real organized production and distribution of the necessities of life is possible. Plans like those of the Technocrats, Sinclair's Epic Plan, or the social schemes of the New Dealers, designed to organize production and distribution under capitalism, are utopian. As long as goods are produced for profit and not for use, anarchy in production must prevail. As long as the working class is exploited, real social planning that would benefit society as a whole is impossible.

Required reading

Value, Price and Profit - Marx
Wage-labor and Capital - Marx
Socialism, Utopian and Scientific - Engels; Part III
Capital - Marx; Vol I, pp. 1-32

Suggested reading

The People's Marx - J. Borchardt
The Marxian Economic Handbook - Emmett
A Short Course in Economic Science - Bogdonoff
Critique of Political Economy - Marx

Lesson Six

CAPITALIST CONTRADICTIONS AND DECLINE

A. CAPITALISM CHARACTERIZED BY CONSTANT CHANGE. The capitalist system like every material entity undergoes constant and rapid change owing to the inherent laws of its development. In their competition for profit the capitalists are forced to seek cheaper and better ways to produce commodities for exchange on the market. The continuous transformation and revolutionizing of the methods and instruments of production makes a perpetual disturbance of social conditions, an everlasting instability affecting relations of production as between boss and worker and in society in general. "The bourgeoisie cannot exist without constantly revolutionizing the instruments of production, and thereby the relations of production and with them the whole relations of society. Conservation of the old modes of production in unaltered form was, on the contrary, the first condition of existence for the earlier industrial classes. Constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones." (Communist Manifesto)

B. COMPETITION THE BASIC LAW OF CAPITALISM. Capitalists compete with each other for control of the market. Similarly workers content against one another for the sale of their commodity, labor power. Engels says: "Competition is the most complete expression of this war of all against all which dominates modern bourgeois society. This war, a war of life and death, for existence, for everything, is waged not only between the various classes of society but also between the individual members of these classes. Everyone is in everyone else's way; and consequently everyone tries to thrust aside and take the place of those in his way."

C. THE FALLING RATE OF PROFIT. No business can stand still and hope to survive in modern society. To compete successfully the boss is forced to expand his scale of operations, to increase production, and to take the market away from his competitors. To do this he seeks continually to lower the price of production, the value of his commodity. For this purpose he introduces newer, more productive machinery. Such machinery is more expensive and can only bring profits thru mass production. Now the factory building and machinery are not consumed directly in production. Hence they are called fixed or constant capital. Capital used to pay wages is directly consumed in the process of production. This is called variable capital. The boss may lower the value of his commodity by (1) paying less wages; (2) working his help longer hours and/or speed-up. And as capitalism develops "labor saving" machinery the composition of capitals changes - the percentage of constant capital increases while variable decreases. This change in the composition of capital produces a fall in the rate of profit, because while profit is derived from surplus values realized by the employment of variable capital, the rate of profit is calculated on the total capital (both types) invested. Constant capital cannot create new values; it can only pass on to the commodities produced its own value as it is consumed in the production process. As the proportion of constant to variable capital increases, therefore, the rate of profit falls. This iron law of capitalist production drives the ruling class to attempt to overcome this falling rate of profit by increasing the mass of profit through the employment more productive (labor saving) machinery and large scale production.

D. ANARCHY OF PRODUCTION. Under capitalism production is not planned according to the needs of society. On the contrary each capitalist produces blindly for the world market, hoping to make a profit. He is not aware in advance how many other capitalists are producing the same commodities, nor how much each is throwing on the market. Thus, although he carefully plans production inside his factory, in society as a whole, complete anarchy reigns. When profits are high in any field capital rushes in, overproduces and brings down the profit and stifles production.

E. OVERPRODUCTION AND CRISES. Capitalism is the only system in history in which periodically - once a decade, now much oftener - a colossal volume of commodities are thrown on the market and cannot be sold. There is an overproduction for the market. The result is a capitalist crisis. Industry and commerce come to a standstill, factories close, workers are thrown out of work to starve in the midst of "too much". In other words the forces of production have broken through the capitalist property relations which fetter them. "We have seen that the ever-increasing perfectibility of modern machinery is, by the anarchy of social production, turned into compulsory law that forces individual industrial capitalists always to improve this machinery, always to increase its productive force. The bare possibility of extending the field of production is transformed for him into a similar compulsory law. . . The extension of the markets cannot keep pace with the extension of production. The collision becomes inevitable, and as this cannot produce any real solution, the collision becomes periodic as long as it does not break the capitalist mode of production into pieces. Capitalist production has begotten another 'vicious circle'." (Socialism, Utopian and Scientific - Engels) "Things cannot be otherwise in a mode of production where the worker exists to promote the expansion of existing values, as contrasted with a mode of production where wealth exists to promote the developmental needs of the worker. Just as, in the sphere of religion man is dominated by the creature of his own brain, so in the sphere of capitalist production, he is dominated by the creature of his own hand." (Capital, Vol 1, p 685) Marx shows the effects of crises on money and commodity prices: "A crisis occurs whenever the returns of those merchants who sell at long range, or whose supplies have accumulated also on the home market, become so slow and meagre that the banks press for payment, or the notes on the purchased commodities become due before they have been resold. It is then that forced sales take place, sales made in order to meet payments. And then we have the crash, which brings the deceptive prosperity to a speedy end." (Vol III, p 359) The crisis is invariably international in character: "And once the crisis has broken out say in England, it compresses the succession of these terms of payment into a very short period. It then becomes evident that all these nations have simultaneously overexported (and overproduced) and overimported (and over traded); that prices were inflated in all of them, and credit overdrawn. And the same collapse follows in all of them." (Vol III, p 578)

The crisis is a violent attempt to readjust the equilibrium of the capitalist mode of production, just as fever in case of human infection is the attempt on the part of the organism to readjust physiological equilibrium. Economic cycles and crises must be analysed in terms of the stage of development or decay of capitalism under consideration. In the present epoch of capitalist decline, contracted, spasmodic periods of revival or prosperity are invariably followed by violent periods of depression and crisis. "In crises the contradiction between socialized production and capitalist appropriation ends in a violent explosion." (S-U&S - Engels)

F. OVERPRODUCTION AND UNDERCONSUMPTION. Underconsumption is a natural result of exploitive society, but it is not the cause of crises. "The underconsumption of the masses is a necessary condition of all forms of society in which robbers and robbed exist, and therefore of the capitalist system. But it is the capitalist system which first brings about the economic crisis." (Anti-Duering - Engels, p 236) "It is not a fact that too many necessities of life are produced in proportion to the existing population. The reverse is true. Not enough is produced to satisfy the wants of the great mass decently and humanely. It is not a fact that too many means of production are produced to employ the able bodied portion of the population. The reverse is the case. . . On the other hand there is periodically a production of too many means of production and necessities of life to permit of their serving as means of exploitation of the laborers at a certain rate of profit. Too many commodities are produced to permit a realization of the value and surplus value contained in them under the conditions of distribution and consumption peculiar to capitalist production, that is, too many to permit continuation of the process without ever-recurring explosions." (Vol III, p 303) "Overproduction of capital is accompanied by a more or less considerable relative overpopulation." (Same)

G. CONSTRICTING WORLD MARKETS. To overcome the declining rate of profit, the capitalists are compelled to introduce large scale industry. The home market cannot absorb the enormous mass of commodities produced by large scale industry. In the early period of capitalist development, crises were overcome by colonial conquest; by wholesale destruction of excess commodities and capital; and by more thorough exploitation of the old markets. But in the modern world, all markets belong to one or another imperialist country. No part of the earth remains unclaimed. Capitalism can no longer expand its world markets on a world scale. On the contrary, markets are progressively restricting, strangling the economic life of society as a whole. The capitalist system, therefore, is said to have reached its stage of decline. "While the productive forces increase in a geometric, the extension of markets proceed at best in an arithmetic ratio." (I-p365)

H. MONOPOLY CAPITALISM. In the competitive world the capitalists find it to their advantage to combine forces to make the most profit out of a given market. Trusts and monopolies come into being, controlled and manipulated by bankers and financiers through the credit system. Far from eliminating competition, monopoly creates a deadlier competition on a higher plane: between vast international monopolies. These tremendous concentrations of capital reach out and seize hold of the backward countries and make of their colonies or semi-colonies for the purpose of exploitation. The national rivalries for control of these markets lead inevitably to war. The imperialist powers are today marching rapidly toward such a war.

I. THE STRUGGLE BETWEEN THE BIG AND LITTLE CAPITALISTS. Monopoly capitalism and large scale production tends to drive the small manufacturer, farmer or banker out of business. He is powerless to compete with such overwhelming forces. Many of them exist by working for larger capitalists. They are mortgaged to the hilt and at the mercy of the banks. The falling rate of profit hits hardest the individual with small capital. Large sections of the middle class are being driven into the proletariat.

J. THE INDUSTRIAL RESERVE ARMY. Large scale production has another important effect - the development of a reserve army of workers who are superfluous to industry. The continual introduction of new machinery to reduce costs means unemployment for more workers. Under capitalism unemployment must always exist. A vast army of permanently unemployed now exists which the capitalists use as a club over the employed worker to extract more surplus value. The problem of the employed and unemployed is closely bound up.

K. THE SLUM (LUMPEN) PROLETARIAT. There comes into existence a completely ruined and demoralized "class" which has lost all power to resist the bourgeoisie. It is devitalized. It produces tramps, thieves, drunkards, prostitutes. This "class" has forgotten how to work. It is the slum proletariat.

L. THE ROLE OF REFORMISM IN THE CLASS STRUGGLE. Up to the beginning of the 20th century the conditions of the working class was gradually improving at the expense of the colonial peoples. Much of the labor movement of the pre-war period was permeated with the idea that by reform and the ballot-box the worker could improve his lot and bring about more and more socialism. This idea dominated the Social Democratic parties of the Second International. It has now conquered the Third. It governs much of the labor movement today. It is based on the illusion that the capitalist class controls its own destiny, that it can continue to improve social conditions. Following the world war, capitalism has entered the stage of decay. In order to keep profits up the capitalist class must force down wages. Wage-rates as a whole are falling. This leads to an intensification of the class struggle which undermines the basis for reformism in society.

M. IRRECONCILABLE NATURE OF THE CLASS STRUGGLE. The capitalists exist only at the expense of the working class. The latter can gain better conditions only by irreconcilable militant struggle. The worker can gain complete freedom from exploitation only by overthrowing the capitalist class and taking over the means of production. The struggle between the worker and capitalist is incessant. On the economic plane it takes the form of strikes for wages and conditions. On the highest plane, when the worker becomes conscious of his position in society, it takes the form of building the revolutionary party aimed at the overthrow of capitalism.

N. THE CENTRAL CONTRADICTION IN CAPITALIST ECONOMY. Competition, inherent in the very nature of capitalism, tends to develop its opposite - concentration and centralization of the productive forces. Production is socialized. Yet the relations between men in the productive process remain anarchistic. Continuous warfare rages amongst the classes in society. The dialectics of capitalist development are now clear. Capitalism bears within itself the seeds of its own destruction.

Required reading

The Gotha Program - Marx
The Eighteenth Brumaire of Louis Bonaparte - Marx
The Decline of Capitalism - E. Varga
Capital - Marx; Vol III, Chapter on Crises

Suggested Reading

History of Great American Fortunes - G. Myers
The Decline of American Capitalism - L. Corey

Lesson SevenIMPERIALISM

A. DEVELOPMENT OF CORPORATIONS, CARTELS AND TRUSTS. Large scale production needs a great deal of capital. By selling shares of ownership in the form of stocks, the corporation acquires the use of great quantities of capital. These shares entitle their owners to a part of the profits made by the corporation, which thus utilizes the savings of small capitalists. Furthermore, corporation law absolves the individual capitalist from the corporation debts if it fails, contrary to a partnership in which each partner is liable in full.

Corporations sharpen competition between capitalists. There are now fewer capitalists but each is a more powerful competitor. To prevent the suicide of long, exhaustive price-cutting wars, corporations strive to eliminate competition by combining into trusts and syndicates, hoping to dominate the market, keep prices up and centralize control of capital. We live today in an era of monopoly production by trusts.

B. FINANCE CAPITAL. Because huge industrial enterprises require vast amounts of capital for success, the banks become an all-important factor. Only through banks can the industrial capitalists secure the quantities of capital required to float modern enterprises. By making loans to factories, railroads, mines, etc., bank capital becomes industrial capital. In turn, industrial capital increases the growth of bank capital. Thus finance capital binds together all branches of industry.

Now, banks lend money not to one firm, but to many. They are interested to see all these firms make a profit. This means the banks must try to eliminate competition among the firms to which they lend money. The tendency of banking or finance capital, therefore, is to unite whole industries and even groups of industries under its direction. The penetration of bank capital into industry finally results in two or three financial groups assuming control of all the resources and industry of the country. In the United States for example, J.P. Morgan heads not only an all-important banking system, but also U.S. Steel Corporation, General Motors etc. Andrew Mellon's banking house controls, among other enterprises, the Aluminum Trust. In each great capitalist country today, a financial oligarchy holds sway over the economic and financial (and, consequently, the political and military) forces of that country.

DEFINITIONS: Syndicate is a trade agreement between competing firms as to prices and territory (You sell in one district; we in another; at set prices) A trust is a complete merging of competitors. The entire control and management of the individual companies is vested in the hands of the new Board. A combine is a union of trusts in several industries (Example, General Electric, U.S. Steel. They control the mining, transportation, smelting and finishing industries connected with the process of production) Finance Capital is banking capital which has penetrated industry and controls it. A capitalist country today, economically speaking, is an immense combine headed by the banks. The government is its executive committee.

C. POLICY OF COLONIAL EXPANSION. In the previous lesson we learned that the capitalist tries to overcome the falling rate of profit by a more ruthless exploitation of the working class - speed-up, lowering conditions, decreased wages, increased hours - to extract more and more surplus values. Later he learned that by exporting capital to backward countries, he realizes a higher rate of profit (more variable, less constant capital)

The export of capital is a relatively recent phenomenon. In the early 19th century, the era of free competition and free trade, export was mostly in finished goods such as textiles, shoes, pots, etc. In this period, England was the dominant capitalist country of the world and "the predominant bourgeois policy of England was against colonial policy and considered the liberation of the colonies, their complete severance from England, an inevitable and useful step." Colonies were considered milestones to progress.

By the latter half of the 19th century, England began to feel the competition of the growing industry of Germany, France and the United States. It became more profitable to exploit the cheap labor and natural resources of the backward region, to transfer production to colonial and semi-colonial countries, than to export goods to these regions. Export of capital expands more rapidly than export of goods. But the export of capital results in the creation of competitive industry in the colonial country which tends to drive out products of the mother country. Furthermore, it creates a colonial proletariat which aggravates unemployment at home.

D. POLICY OF WAR. Because profit from export of capital is greater than that from export of goods, the struggle over investment of capital sharpens. In this struggle the capitalists of the advanced countries strive to get political as well as economic control of the backward region. They bring pressure on it through manipulating loans to get favorable treaties, restricting or excluding imperialist rivals. Furthermore, capital investments have to be protected from harm. In order to do so the capitalists have to actually own or control the backward countries they invested in.

There arises a terrific competition for the acquisition of colonies and spheres of influence. Finance capital tends to eliminate competition within the nation, but aggravates it between nations. Capitalist competition takes on a world form in which entire nations are mobilized in a contest for survival. The process of partitioning the world among the great powers cannot be a peaceful one. "The economic wars of capitalist expansion, of tariff and exchange and armament and competitive exploitation reach a point where the attempt is made to find a political solution of the economic and social contradictions through war, open and undisguised: imperialist-inspired wars between subject nations; wars of subjugation by imperialist powers against subject peoples, and the converse of these, peoples against their imperialist oppressors; the world-wide war of the imperialist nations among themselves. . . Modern war is the very essence of imperialist-capitalism, as much a part of capitalism as wage-labor. To speak of capitalism without war is like speaking of a human being without lungs. The fate of one is inextricably bound to the fate of the other." (Imperialism - Lenin)

By 1871 the division of the entire earth among the great powers was complete. Between 1898 and 1905 the first redivision of the earth had taken place. In the world war of 1914-17 occurred the second great redivision. The crisis beginning in 1929 marked the beginning of the third great redivision of the earth. Nations coming late into the imperialist arena demand a "more justifiable" redivision of world markets. Prior to 1914, Germany, having developed the most powerful industrial apparatus in Europe, aggressively faced Great Britain and France who had already taken the best portions of the world. The United States had not yet saturated its own tremendous internal market. It was still a debtor nation. The struggle for world markets was therefore chiefly between Great Britain and Germany. In order to get an outlet to Asia and Africa, Germany sought to establish a trunk line from Berlin to Bagdad. First she had to have control over Central Europe - Austria-Hungary, Serbia, Bulgaria and Turkey. Of these she had all but Serbia. The Balkan War of 1912 was fought to annex Serbia. She failed.

In 1914 Germany utilized the assassination of the Archduke of Austria as an excuse to annex Serbia. Gt. Britain and France opposed this. The War was on. American capitalism wished for the defeat of Great Britain since it was her leading rival in the Western Hemisphere. This was clearly expressed in the policy of "neutrality" of Wilson, candidate of the Rockefeller group of financiers, whose oil policy called for defeat of its most powerful oil rival, Great Britain. Since Germany was winning, neutrality aided the winner. But Germany could not reach the U.S. and the Allies could. American capitalists could not resist the juicy investments and loans at high interest afforded by the Allies. Only when these loans were threatened did it become the interest of American capitalism to side with the Allies. Although Germany was defeated in the World War, Great Britain has now a more powerful rival in the United States, which has become the world's greatest exporter of capital. The American dollar has displaced the pound everywhere in the Western Hemisphere with the exception of Brazil and the Argentine. Even here American investments have gained at the expense of G.B. since 1914. In an attempt to win Argentina away from G.B. the U.S. organized the Pan-American conference and Roosevelt's "Good Will" tour. She failed in the attempt. EUROPE. Although American capital has supplanted British in Europe, she has been unable to equal the sale of goods, due to the stronger political influence of Britain. Another factor is Europe's retaliation to the high American tariff barriers. ASIA. British investments in Asia, Africa and Australia outweigh the American. In China, for example, five to one; but, due to U.S. industrial superiority, it sells 13 times as much for every dollar invested as does Britain. Asia will most likely be the prize over which the next world war will be fought. JAPAN. Britain has tried to form an alliance with Japan against U.S. But they are both leading textile exporters. This weakens the alliance. When Japan invaded Manchuria in 1931-32 England was indifferent because American interests in the main, were undermined. In the present invasion, Britain is the loser. U.S. has refused to protest the bombing of Shanghai since $\frac{3}{4}$ of British investments in China are there, but caused a stir over the attack on Nanking which is an American sphere of influence. NEUTRALITY. The U.S. was for "neutrality" in the Ethiopian and Spanish wars because that helped undermine Britain. In the Sino-Japanese war, U.S. has the opposite policy, because here the danger of Japanese victory means closing the door of China to American trade. To wage war against Japan, U.S. must have an Asiatic ally, either China or the Soviet Union. SOVIET UNION. When the Wall Street base in Manchuria was undermined in 1931-32, American capitalism almost immediately signed the Roosevelt-Litvinoff agreement. The weakness of this type of agreement is that it means a pressure on Stalin to form an alliance with Germany. Conversely, an alliance of England and Russia is hampered by the danger of a German-Japanese bloc. A British-German bloc would break France away from England and toward Italy, bursting the Rome-Berlin axis.

E. MILITARISM. The above illustrates the complexity of the preparations for the coming world war. To be prepared for war constitutes the major policy of the imperialists. They build huge armies; larger and technically superior navies and air fleets. They systematically poison the minds of the working class with nationalistic propaganda and prejudices. Disarmament conferences, League of Nations, Collective Security - all these are smoke-screens behind which the real jockeying for position and alliances of one group of nations against another takes place. Big armies and navies are designed not only for suppression of colonials and to defeat rival powers, but also to maintain "law and order" at home - for the suppression of strikes, demonstrations, insurrections and other "domestic disturbances".

F. FASCISM. It has been pointed out how capitalism in its imperialist and decaying stage exploits the working class with increasing ruthlessness. This arouses the workers to resistance. To meet this resistance the capitalists turn to Fascism as a means of heading off the revolutionary will of the masses. Fascism arises when finance capital can no longer afford to hide its dictatorship behind democratic forms of government.

Fascism is not a different economic system from capitalism. It modifies certain aspects of capitalism, just as in war-time other aspects are modified. Fascism is the last resort of finance capital in defence of the system. "Through the Fascist agency, capitalism sets in motion the masses of the crazed petty bourgeoisie, and bands of the declassed and demoralized lumpenproletariat; all the countless human beings whom finance capital itself has brought to desparation and frenzy...The Fascist agency, by utilizing the petty bourgeoisie as a battering ram, by overwhelming all obstacles in its path, does a thorough job. After Fascism is victorious finance capital gathers into its hands, as in a vice of steel, directly and immediately, all the organs and institutions of sovereignty, the executive, administrative and educational powers of the state; the entire state apparatus together with the army, the municipalities; the universities, the schools, the press, the trade unions and the cooperatives...it means, for the most part, that the workers organizations have been annihilated that the proletariat is disorganized; and that a system of administration is created which penetrates deeply into the masses and designed to frustrate the independent crystallization of the proletariat."

G. SUMMARY. Following the merchant and industrial stages of capitalism arose the third, imperialist stage, characterized by: industry dominated by monopoly, economy by finance capital; capital is exported; the world divided among great capitalist powers; economy is dependent on colonial and semi-colonial bases for raw material. Imperialism aggravates all the contradictions of capitalism. The evergrowing necessity of the productive forces to expand confronts a continuously narrowing market and comes into the most violent conflict with the national state boundaries. The result is a general, permanent and insoluble crisis of capitalism, the permanent disemployment of more and more proletarians, the lowering of real wages and the pauperization of the masses. Imperialism is the epoch of war and revolutions: of the great powers for the redivision of the earth; of the colonial masses for national liberation; and revolutions for the overthrow of capitalism. Imperialism signifies that capitalism has exhausted its progressive possibilities and now constitutes a brake on the development of the productive forces and the advance of humanity to higher material and cultural levels. Capitalism is ripe for transformation to socialism. The world revolution stands on the order of the day.

Required reading

Imperialism - Lenin

Foundations of Imperialist Policy - M. Pavlovitch

Decline of American Capitalism - Corey; Ch 8, 17, 19, 20, 21

Rulers of America - A. Rochester; Ch 1-8

Capital - Marx; I Ch 16 and III Ch 15, 23, 24, 25

Suggested reading

The American Empire - Scott Nearing

Modern Corporation and Private Property - Berle and Means; /Ch 3

Imperialism and World Politics - Moon

Lesson Eight

THE STATE AND THE DICTATORSHIP OF THE PROLETARIAT

A. DEFINITIONS. The Marxist theory of the state can be summarized as follows: it is a machine for the suppression of one class by another; it is "the executive committee of the ruling class" (Marx); and the "summarized reflected form of the economic desires of the class which controls production" (Engels). It is an organization of people by national territory; it is a public power of coercion (police, army, prisons); it exacts taxes and creates public debts; it is a burocracy "above society."

The state is a machine created to maintain the domination of one class over another. Before the advent of slavery no classes existed. Altho humanity lived under primitive conditions of equality and low productivity of labor, primitive man had the highest form of social organization of all time. There couldn't possibly have existed groups of people who occupied themselves exclusively with administration and dominated the rest of society. Slavery, the first form of social division into classes, arose when primitive agriculture was able to produce a surplus. (See Lesson Two). This surplus became the means of consolidating a slave-owning class. But in classless society there was no means—because there was no need—of holding captives in slavery. One section of society cannot be forced to work systematically for another section without the maintenance of a permanent apparatus of power. Wherever classes appeared, there rose the state.

B. THE SLAVE STATE. The slave state was an apparatus which empowered the slave owners to control and dominate slave labor and to protect their property from rival slave states. Slave states were relatively small because they had inferior methods of communication and transport. Mountains, rivers and seas were tremendous obstacles. The states consequently developed within small geographical boundaries.

C. GREEK AND ROMAN SLAVE STATES. The forms which slave states took varied. The Greek were republics, democracies; the Roman became monarchic. Literally translated, democracy means rule of the people; monarchy, rule of a royal individual. Despite these formal differences all slave states were states of slave owners. They all regarded the slave as sub-human and unworthy of citizenship. Roman law established the slave as chattel or private property. Laws against murder and for the protection of integrity and dignity of the person did not apply to slaves but only to slave owners. They alone enjoyed civil rights, took part in elections and other political functions. The common principle of all forms of slave states were to deprive the slave of all rights and to oppress him.

D. THE FEUDAL STATE. Essentially the same principle applied under feudalism. The serf was chained to the land he worked. Certain days he worked the land given him by the feudal lord. The rest of the days he worked the lord's land. Class rule remained. The feudal landowners enjoyed all civil rights. The serf was absolutely without political rights. Both monarchies and republics existed under feudalism. But only landowners having serfs under them were the dominating force in society.

E. SLAVE AND SERF INSURRECTIONS. History is an unbroken series of attempts by oppressed classes to shake off their chains. Wars lasting decades were waged for and against the emancipation of the slaves. One

of the greatest insurrections of antiquity was led by Spartacus, a Roman slave who, 2000 years ago, organized and led an army of slaves which shook the all-powerful Roman Empire to its foundations. Feudal history, also is full of serf insurrections and revolts. In Germany, for instance, the struggle of the landowners and serfs in the Middle Ages took on the character of a tremendous civil war. The peasant revolts continued right on into the capitalist system.

F. RISE OF THE CAPITALIST STATE. The development of commerce and commodity exchange led to the crystallization of a new social class, the capitalists. Capital came into being toward the end of the Middle Ages when the discovery of America permitted world commerce to develop to an unprecedented degree. (See Lesson Four). The increase in supply of the precious metals and the introduction of currency permitted the accumulation of tremendous wealth in the hands of the few. Gold and silver were recognized as riches all over the world. The economic strength of the old class of feudal landowners diminished and that of the new class of capitalists developed. Society was transformed. The former division into slaves and slave-holders, serfs and feudal lords, disappeared. Everyone was considered equal before the law, irrespective of how much property or wealth he possessed. The law protected the property of the rich and poor alike from the attacks of the propertyless masses who became impoverished and, finally, were forced to become wage workers. This period opens the capitalist era.

The new society opposed the bondage of serfdom with the slogan of personal freedom. In practice, however, this meant freedom only for those who possessed property. The state recognized the right of the industrialist, the factory owner and the tradesman to private property. Admitting these rights and the complete subordination of the propertyless workers to them, the capitalist state at the same time proudly declared that its rule is based on freedom and equality; that the state is no longer a class state; that it represents the will of the whole people. It proclaimed freedom of speech, press and assembly and finally universal suffrage. Its preachers, scholars, philosophers and lawyers declared the class struggle to have been abolished.

G. CHARACTER OF THE CAPITALIST STATE. But the state continues to be a machine with which the capitalists hold the working class and middle classes in check. The form of capitalist rule, as in previous states, varies from country to country and from time to time.

BOURGEOIS DEMOCRATIC FORM. The more democratic the form, the more cynical the rule. In the United States, one of the most democratic republics in the world, power is held by a little group of finance capitalists who control society through corruption and open brutality. No democracy or franchise can alter the essence of this state of affairs. They control the working class movement by corrupting and buying its leaders. But they use merciless brutality when the working class exceed the bounds set by their corrupted leaders. Officially, Engels says, the democratic republic "knows nothing about property". The possessing class rules through the elections system, by corruption of officials and by the tight alliance of finance capital with the government, the former having the national economy and means of communication and transport concentrated in its hands. Congress and elections are its marionettes.

Compared to the feudal state the democratic republic represents tremendous progress: It gave the proletariat the possibility of attaining the organization and discipline necessary for systematic struggle

against capitalism. Neither the serfs nor the slaves had anything of the sort. The latter revolted, began civil wars, but were never able to organize a conscious majority of the population. They never clearly understood their goal. Consequently they were pawns in the hands of the rulers. For the first time in history the subject class is able to recognize its own role and to develop incentive for building an international movement of millions of workers all over the world. Without parliament and the franchise this development would have been impossible. That is why these institutions have taken on great significance in the eyes of the masses and why they are slow to recognize that they are outlived and to follow the revolutionary road to power.

FASCIST FORM. "The democratic republic is the best possible political shell for capitalism...no change, either of persons, institutions or parties in the bourgeois republic can change it". (lenin). As the revolutionary forces develop under capitalism, the deception of democracy falls away. Fascism emerges. It is the desperate reaction of the bourgeoisie to the threat of proletarian revolution. It is the form adopted by the capitalist state when the democratic means of subjection have failed. (1) It shatters and suppresses all working class organizations: unions, parties, cooperatives; shoots and tortures working class militants and terrorizes and regiments the whole working class. At the same time it accuses Marxism of destroying freedom, of aiming to build a coercive state, of desiring to suppress one section of society by another. (2) It uses the middle class to secure power, then thrusts them down to the level of the workers. (3) It establishes a tighter amalgam of finance capital with the state against the workers and petty-bourgeois masses and against rival nations. Nationalism becomes rampant. Fascism is the open, violent, unmasked form of capitalist rule.

SOCIAL DEMOCRATIC AND PEOPLE'S FRONT FORMS. Both social democracy and the People's Front are varieties of bourgeois democracy in which the "socialist" or labor features are exaggerated. They arise in the period of wars and revolutions when the working class is moving toward power. They are instruments used to head off the final conflict by feeding the workers illusions about (1) a ready made socialist state under capitalism; and about (2) the bourgeoisie as friends of labor.

STATE CAPITALIST FORM. The objective basis for socialism is created by capitalist production itself. So capitalist government takes over or intervenes in private enterprise as part of a "social" program. It does so, however, in an attempt to overcome the anarchy of production and for the purpose of maintaining capitalism. In the early growth period of capitalism state capitalist enterprises were progressive because they stimulated more rapid economic development. Not today. Many reformers believe that state capitalism can unfold progressively into a new social order, that capitalism can be "organized" and "grow over" into socialism. Like Fascism, state capitalism in its monopoly form uses a vulgarized socialism to combat the coming of socialism. It is not a transition to socialism but the direct opposite. It is a form of capitalist struggle to retain power.

H. COMMUNISM - THE CLASSLESS SOCIETY. Capitalism has developed productive capacity to the point where it is possible to supply every human being with more than enough. Yet capitalism can continue to exist only by aggravating want and starvation. Only a classless society, commun-

ism, can produce order out of this chaos, a society based on the socialized economic foundations already built by capitalism in its progressive period. The following are the essential characteristics of communism: (1) Common ownership of the means of production and distribution of wealth. The elimination of the right of individuals or groups to dispose of the means of life. That right belongs to society as a whole. Hence, no exploitation of one group by another. (2) Economic and social planning on a world scale. This is made possible by the abolition of competition between capitalists, the anarchy of production, wars and militarism. (3) Production for use, not for profit. Substitution of the good for the commodity. (4) The abolition of the state. Under communism the state is unnecessary. Government in the form of armies, police, prisons, property laws gives way to a system of administration, of accounting, management and supervision of industry and agriculture by all the people, such as is necessary to maintain world economy in smooth running order. (5) Disappearance of artificial differences and barriers fostered by capitalism. Nationalism, race hatred, religious dissention, caste envy are destroyed by international production and cooperation. (6) A tremendous increase in the productive capacities of the human race. Human energy now necessarily spent in the class struggle or destroyed in wars, unemployment and unproductive pursuits such as competitive advertising, soldiering, relief, etc., will be set free. Increased productivity means a shorter work day, security and increased leisure. Society can then take from the individual according to his abilities and give to him according to his needs. The higher form of human organization that existed in primitive society with low productivity now is recreated on a highest level of productivity. On this foundation culture - the arts and sciences - can rise to undreamed of heights.

I. THE WORKERS STATE - DICTATORSHIP OF THE PROLETARIAT. No ruling class in history has voluntarily given up its power and privileges. The more recent experiences of the Paris Commune, the Russian Revolution, the German and Hungarian revolutions, the development of Fascism prove that when the workers challenge the power of the capitalist class, democracy is scrapped and armed aggression is substituted. Reform and the ballot box are of no avail. Victory can come only by revolutionary struggle. "Between capitalist and communist society lies a period of revolutionary transformation of the former into the latter. To this also corresponds a political transition period in which the state can be no other than the revolutionary dictatorship of the proletariat." (Marx - Gotha Program). "The working class cannot simply lay hold of the ready-made state machinery and wield it for its own purpose." (Marx - Preface to Communist Manifesto). The working class must break up, shatter the bureaucratic and military machinery as a precondition for any real people's revolution. When this is done the class war is not suspended. The bourgeoisie still exists. It has money. It still has a tremendous ideological and institutional hold on the masses. It can recruit armies with the aid of foreign capitalists. It will engage in sabotage and counter-revolution. It would be suicide for the revolution to allow the bourgeois enemy to do this, or to allow it to share in any way in government or political powers.

The suppression of the former exploiters immediately produces a fuller democracy. The dictatorship of the proletariat creates democracy for the vast majority, something that never existed before in class society. The standing army is abolished and the armed people takes its place. All officials are elected, subject to immediate recall and receive workers wages. Organization of national unity. With the working class at

the head of the nation, bourgeois-military-bureaucratic centralism is replaced by conscious, democratic, proletarian centralism. As the resistance of the former capitalists, bankers, landlords and generals is broken, the class lines tend to disappear. Little by little the state loses its reason for existence. It withers away and society passes into communist conditions of life without further revolution. Thus the dictatorship of the proletariat is really a transition period between capitalism and communism.

J. THE WORKERS COUNCILS. History has revealed a new form of government, the workers' councils (soviets). They are combined legislative and executive bodies composed of representatives elected from industrial units. By their nature they are class organizations from which all capitalists, landlords and other exploiting elements are excluded. They are not created by decree from above. They develop spontaneously through united actions of the working class during the revolutionary crisis. By means of the workers' councils the class not only takes power, but is able to hold it.

K. DEGENERATION OF THE RUSSIAN SOVIET STATE. The Russian revolution of 1917-18 overthrew the bourgeois state. Workers' councils were established as organs of the dictatorship. Bourgeois democracy was overthrown and proletarian democracy established. Industry, banks, transport were nationalized into state property. Bourgeois relations in big industry were overthrown. Workers control of production was instituted. Workers militias were created. The land was given to the peasants though it remained state property legally. Foreign trade became a state monopoly. The Bolshevik party controlled the state apparatus. The foreign policy of Soviet Russia was designed to extend and promote world revolution. Butocratic capitalist oppression of national minorities was replaced by the right of self-determination of nations.

But it is not possible to completely eliminate capitalism by the seizure of power in one country. Capitalist forms continue to exist side by side with the new economy. The historical contradiction produced by this state of affairs can be resolved only by (1) the extension of the revolution on a world scale or by (2) retrogression back to capitalism. Following the defeats of the Finnish, Hungarian, Italian and German uprisings, the second process began in Russia. By 1924 the pressure of the bourgeoisie, strengthened by the defeats of the world proletariat and the revival of capitalist economy, seriously affected Soviet life. The state bureaucracy, originally of the working class, emerged as a petty-bourgeois stratum with interests conflicting with those of the proletariat. The betrayal of the English general strike of 1926 and of the Chinese Revolution of 1925-27, the expulsion of the left wing of the Communist Party of the Soviet Union, the execution and exile of thousands of its leaders and members, the adoption of nationalism and revisionism as the program of the Communist International at the Sixth World Congress - all these events marked the victory of Stalinism over Marxism, the political subordination of the proletariat to the interests of the world bourgeoisie and of the petty bourgeoisie in the Soviet Union, the triumph of "bourgeois law" over workers democracy. The foreign policy of the Soviets stifled revolutionary action by the working class. The bureaucracy used the state to destroy all control by the working class of the dictatorship. Out of the expanded industrial and agricultural enterprises rose an enormous bureaucracy and a new bourgeois stratum of millions of human beings and thousands of institutions.

The bureaucracy ruled by police and terror and scrapped the soviet forms of the workers state. The new Stalin constitution established the juridical basis for the reintroduction of private property in land, industry and trade. The Soviet state is used by Stalinism as an openly counter-revolutionary force.

SITUATION TODAY. (1) Private property in industry legalized and restored to an extent; (2) Group private property established; (3) Inheritance of wealth reintroduced; (4) Appropriation of surplus value thru interest and a disguised form of profit (enormous salaries) restored; (5) State in hands of a political-industrial bureaucracy which oppresses the masses in its own interests and in that of the world bourgeoisie. (6) The economic foundations on which the soviet state were built in 1917 are today largely fictive, on their last legs. But (I) They still stand. (II) The traditions of October 1917 are still alive in the masses.

L. THE "PERMANENT REVOLUTION". The working class cannot take power in every country at the same time. The revolution occurs in single countries. The Russian revolution was the first to hold power after seizing it. But "the completion of the socialist revolution within national limits is untinkable". In order to succeed it must develop beyond national boundaries and kindle the already revolutionized masses in other countries to revolt. The classless society can be introduced only on a world scale.

M. SUMMARY. "So long as exploitation exists there can be no equality. The landowner cannot be equal with the landworker, the capitalist with the worker, the hungry man with the statesman. The machine of state before which people bow with superstitious veneration, believing that it represents the power of the whole people, is uprooted by the proletariat which declares their old ideas to be lies. We have taken this machine away from the capitalists. We have rebuilt it for us. With this machine we will drive all exploitation out of the world, and, when all possibilities for exploitation have been abolished and not a single landowner or factory owner exists, then one human being will not be overfed while another goes hungry. Only when the last possibility of exploitation has been abolished will we fling the machine into the scrap heap. Then there will be no state and no exploitation. That is the standpoint of the Communist Party." (lenin).

"The state, then, did not exist for all eternity. There have been societies without it, that had no idea of any state or public power. At a certain stage of economic development, which was of necessity accompanied by division of society into classes, the state became the inevitable result of this division. We are now rapidly approaching a stage of evolution in production, in which the existence of class has not only ceased to be a necessity, but becomes a positive fetter on production. Hence these classes must fall as inevitably as they once arose. The state must irrevocably fall with them. The society that is to reorganize production on the basis of a free and equal association of producers will transfer the machinery of state where it will belong: into the Museum of Antiquities by the side of the spinning wheel and the bronze axe." * (Engels - Origin of the Family, Private Property and the State).

Required reading

Origin of the Family - Engels; Chapter IX
 Critique of the Gotha Program - Marx
 The Russian Question (RWL Thesis-outline)
 Civil War in France - Marx - State and Revolution - Lenin

Lesson NineTHE STRUGGLE FOR POWER AND THE REVOLUTIONARY MARXIST PARTY

A. REVOLUTIONARY STRATEGY AND TACTICS. The theory and program of Marxism analyse human society and describe the goal of the working class movement. They do not include the means by which the program is realized. These means are summed up in the laws of strategy, tactics and organization. Strategy consists of the general principles underlying the whole system of day-to-day actions, by which these partial struggles are developed into a broad revolutionary struggle against the capitalist system. Tactics. "By party tactics we mean the political behavior of the party, or the character, tendency and methods of its political work." -Lenin. Correct tactics are the actions, maneuvers and methods by which strategic aims and, finally, the program are attained. False tactics hamper the movement. In critical situations tactics are decisive for the life and death of the movement. Setting the date for the insurrection in October, 1917 led to the seizure of power. Setting it too early or too late would have meant a smashing defeat.

DAY-TO-DAY TACTICS. The United Front, as developed by the Bolsheviks under Lenin, is a tactic for uniting the masses in action against the capitalist class through temporary agreements with working class organizations for immediate demands. Since the opportunists split the working class politically, unity can be achieved only when the Marxist party succeeds in separating the workers from their opportunist leaders and winning them for communism. Union and Unemployed Work. The Marxist party takes as its basis for trade union and unemployed work the fight against class collaboration and for class struggle policies. To be successful in union strategy the workers should fight every struggle on two fronts: against the capitalists and against their labor agents in the unions. The following are some of the main lines of revolutionary strategy in the unions. (1) organization of the unorganized into industrial unions and plant committees; (2) amalgamation of craft into industrial unions; (3) work within the existing unions (AFL, CIO, RR Brotherhoods) for trade union unity; (4) establishment of the plant meeting as the basic unit of the unions; (5) creation of a national left wing in the unions; (6) unity of the employed and unemployed by joint action of unions and unemployed organizations for demands to alleviate the conditions of the unemployed.

Revolutionary Parliamentarism. The elections system today, unlike the preceding epoch, can no longer be used to improve the lot of the working class. "It is the immediate historic task of the working class to tear this apparatus out of the hands of the ruling class, to break it and destroy it, and to create in its place a new proletarian apparatus." -Theses of the II Congress of the C.I. Election Campaigns are carried on to secure the maximum mobilization of the masses around slogans of proletarian revolution. The campaigns, wherever possible, are conducted in closest contact with strikes, demonstrations and movements among soldiers and sailors.

Negro Question. American capitalism freed the Negro from chattel slavery and integrated him into the economic structure, but it did so on the basis of race subjugation and double exploitation. The industrialization of the South is transforming him from a share-cropper into a propertyless and unemployed worker. In the North he is an essential part of the proletariat in the basic industries.

Imperialism dominates the Negro populations of Latin America: Haiti, Santo Domingo, Brazil, etc.

The Negro question can be solved only by proletarian revolution. The class conscious worker of the Negro race in the United States has the historic task of sharing the leadership of the workers' struggle both in the United States and in the suppressed Latin American countries and throughout the world. The white worker has the greater responsibility in cementing the unity of the black and white workers. The main slogans for this fight are: Full economic, political and social equality! White and Negro workers - smash Jim Crowism! Armed defense against lynch law!

The Youth Question. Conditions of working class youth in all capitalist countries are miserable. Working longer hours for lower wages, underfed, underdeveloped, deprived of the leisure and means for higher education, deprived of political rights, the first victims of capitalist war and militarism, the working class youth is faced with special conditions giving him a unique place in the class struggle. It is the primary task of the party to defend their rights to social and cultural opportunities from the greed of capitalism for cheap labor. In the course of this struggle special tactics, demands and forms of organization are created.

Work in the Army and Navy. Persistent and systematic propaganda and agitation is necessary in the armed forces where communist groups should be formed. Wherever such work is suppressed it must be done illegally. Refusal to carry on such work is equal to treason to the revolutionary cause.

Illegal work. Communists can have no confidence in bourgeois laws. As the class struggle enters the phase of civil war, or in time of reactionary attacks on the proletariat, or in time of war, the bourgeoisie will make arrests, indictments, raids on union and party halls for the purpose of gagging it. Illegal forms of agitation and organization must be prepared beforehand to function alongside of the legal apparatus so that the communists will be able to carry on their work when it is proscribed.

B. THE REVOLUTIONARY SITUATION. A revolutionary situation occurs when: (1) production breaks down; (2) the proletariat determines to put an end to the old way of living and seeks a new life; (3) the middle class becomes desperate and is ready to support either the capitalist class or the working class in a decisive struggle; (4) the ruling class loses confidence in itself.

DUAL POWER. "What constitutes dual power? The fact that, by the side of the government of the bourgeoisie there develops another, as yet weak, embryonic, but undoubtedly real and growing government - Councils of Workers and Soldiers Representatives...The fundamental characteristics of this type of power are: (1) it originates not in law previously considered and passed by parliament but in the direct initiative of the masses from below, in outright seizure, to use a popular expression; (2) instead of the police and the army (institutions separated from and opposed to the people) there is the direct arming of the whole people; orderly government is thus insured by the armed workers and farmers themselves, by the armed people itself; (3) officials, bureaucrats are either displaced by the direct rule of the people, or at any rate, placed under special control; officers are not only elected by the people but are also subject to recall at the initiative of the people; they are reduced to

the position of plain representatives; from a privileged social stratum, occupying snug, highly remunerative 'berths' they are changed into workers, skilled in handling certain 'tools', receiving salaries not exceeding those of average skilled workers..." -Lenin.

THE INSURRECTION. The very possibility of proletarian insurrection implies an extremely advanced disintegration of the capitalist state. Civil war in general and the armed insurrection in particular must be studied. "To be successful the uprising must be based not on a conspiracy, not on a party, but on the advanced class. That is the first point. The uprising must be based on the revolutionary upsurge of the people. This is the second point. The uprising must be based on the crucial point in the history of the maturing revolution, when the activity of the vanguard of the people is at its height, when the vacillations in the ranks of the enemies, and in the ranks of the weak, half-hearted undecided friends of the revolution are at their highest point. This is the third point!"-Lenin

The Insurrection and the General Strike. The working class cannot achieve victory over the bourgeoisie by means of the general strike alone, by the policy of folded arms. In conjunction with the armed uprising, however, the general strike becomes a powerful weapon in the hands of the proletariat to paralyse capitalist state power.

C. PROBLEMS OF THE PROLETARIAN REVOLUTION. The Agrarian Question. Under the leadership of the city industrial and agricultural proletariat the small, tenant and share-cropping farmers who constitute the majority of the agrarian population, can save themselves from the ruin of capitalist landlordism and imperialist wars only through the overthrow of capitalism. They are economically, socially and morally benefited by the victory of the proletariat. After the workers have taken power and the owners of large estates and the capitalists have been done away with, after they are able to see in practice that the working class is their organized leader and helper, powerful and firm in its guidance, the farmers will constitute an important support of the proletarian dictatorship. But not the landed farmers, rural bankers and plantation owners. They are capitalists in agriculture. The small, tenant and share-cropping farmer, under the leadership of the working class, will deal a crushing blow to this reactionary class. Their estates will be confiscated without compensation.

The Revolution in the Colonies and Semi-colonies. The spread of imperialism, the investment of capital in the backward colonial countries such as China, India, Cuba, has given birth to a native bourgeoisie which, in its desire to expand, comes into conflict with the capitalists of the great powers. A vital working class has arisen in these countries which, together with the peasantry, is doubly oppressed: by imperialism and by its own bourgeoisie. These conditions continue to create revolutionary situations which threaten to destroy the foundations of capitalism. Movements for redistribution of land and national liberation have given rise to numerous uprisings which have been suppressed, as in China, India, Cuba, Puerto Rico, etc. The first stages of the colonial revolution are agrarian, anti-imperialist, national liberationist and are fought in co-operation with the native bourgeoisie. Under the leadership of the Marxists the masses pass through the struggle for petty-bourgeois reforms such as the redivision of the land to the organization of peasants and workers councils and the establishment of the workers state.

In such struggles the colonial bourgeoisie finds itself in a peculiar position. To fight the imperialists it needs the workers and peasants. But for fear the workers and peasants will get out of hand and destroy it, it cannot bring the struggle for national liberation and democratic rights to completion. As the masses begin to show independent strength, the bourgeoisie, to save its neck, makes alliances with the imperialist powers against the workers and peasants. Therefore the colonial problem cannot be solved by the bourgeoisie. The aims of the colonial nationalist movements everywhere are to win freedom for the native bourgeoisie to dominate the country. But it is for liberation from capitalism as a whole that the workers and peasants struggle.

The colonial Marxist party strives to develop class consciousness in the working class, to overthrow capitalism and establish a workers republic. Proletarian revolutions in the colonies undermine world capitalism. It is the historic task of the working class and the Marxist parties in the imperialist countries, therefore, to collaborate with the colonial Marxist parties for the general advancement of the revolutionary movement.

The National Question. The imperialist war of 1914-18, the twenty one years of "peace" and the events of the last few years clearly demonstrate the hypocrisy of the bourgeoisie with regard to the freedom of small nations and national self-determination. The League of Nations was an insurance policy by which the victors of 1918 guaranteed their gains by tearing some states asunder and artificially creating others. The vanquished nations began to work for the "re-union of alienated territories" to gather forces for new wars. While the proletariat is interested in re-uniting nationalities artificially torn asunder, this can be accomplished only by the revolutionary overthrow of the bourgeoisie. Equality of nations is impossible under capitalism. For the establishment of national equality a free federation of workers' republics is necessary.

TASKS OF THE PROLETARIAN DICTATORSHIP. The first task of the proletarian dictatorship is to defeat the exploiters completely, to crush their resistance, to render impossible any attempts on their part to reimpose the yoke of capitalism. The second task is to inspire, enlighten, organize, instruct, and discipline the entire mass of workers and those exploited by capital, to wrench this enormous majority of the population in all capitalist countries out of their state of dependence on the bourgeoisie, to instil confidence in them through practical experience, in the leading role of the proletariat, and its revolutionary vanguard. The third is to neutralize or render harmless the inevitable fluctuations between the bourgeoisie and the proletariat, between bourgeois democracy and the workers power, on the part of the small owners and proprietors in agriculture, industry, commerce and the layers of intellectuals, employees, etc. The fourth task is to extend the revolution to other countries, as summarized in the theses of the Second Congress of the Comintern: "Proletarian internationalism...demands (1) the subordination of the interests of that struggle on an international scale. (2) the capability and readiness on the part of any one nation which has gained a victory over the bourgeoisie of making the greatest national sacrifices for the overthrow of international capitalism." "The emancipation of labor is neither a local nor a national, but a social problem, embracing all countries in which modern society exists." -Preamble and Rules of the International Workingmen's Association (First International). These tasks make possible the great historic objective of the complete reorganization of economy, the transformation of industry and agriculture into a production plant based on social need and the scrapping of the entire profit system, the creation of a new social discipline and a free union of free workers.

D. PROLETARIAN STRATEGY IN WAR. The strategy of the bourgeoisie in imperialist war is summed up by Lenin as follows: "To seize lands and to conquer foreign nations, to ruin competing nations, to pillage their wealth, to divert the attention of the laboring masses from domestic political crisis...., to disunite the workers and fool them with nationalism, to annihilate their vanguards in order to weaken the revolutionary movement of the proletariat, such is the real essence, the significance and meaning of the present war." -War and the Second International. Imperialist wars shake the foundations of capitalist society and heap unbearable burdens on the working class.

Revolutionary Defeatism. The workers have no interest in the defense of the "fatherland". Under no conditions, directly or indirectly, can the support of a war conducted by an imperialist government be justified. On the contrary, the class and its party must fight such a war. "Turning the..imperialist war into civil war is the only correct proletarian slogan...however difficult such a transformation may appear at one time or another, socialists will never relinquish systematic, resistant, unflinching preparatory work in this direction once the war has become a fact." "Revolution in war time is civil war; and the TRANSFORMATION of war between governments into civil war is, on the one hand, facilitated by military reverses ('defeats') of governments; on the other hand, it is IMPOSSIBLE really to strive for such a transformation without thereby facilitating defeat..... THIS SLOGAN ALONE implies a consistent appeal for revolutionary action against one's own government in wartime." -Lenin To the social reformists who advocate "revolutionary national defense" in one form or another, the class conscious proletariat answers: only on condition that state power is on the hands of the proletariat.

E. PROLETARIAN STRATEGY AGAINST FASCISM. The frenzy with which the capitalist class embraces fascism is explained economically by the falling rate of profit which forces them to more ruthless exploitation of the working class. The resistance of the working class to these measures is met by fascist policy when other government forms fail. Bands of declassed petty-bourgeoisie crazed by the collapse of capitalism are organized by finance capital to smash the workers, to disorganize them, and annihilate their organizations and leadership.

Marxism counterposes the social revolution to fascism as the solution of the crisis of capitalism. This task is approached through the tactics of the united front of labor organizations for defense of democratic rights, based on extra-parliamentary mass action. These united defense actions consolidate the proletariat, give it confidence in its own strength. Eventually the struggle for democratic rights develops into an offense against fascist reaction. The proletariat arms itself, organizes and centralizes its councils, military committees and militias into national councils of workers' representatives (dual power) which challenges and finally overthrows the bourgeois state and establishes the workers' state. In countries where fascism has conquered, the scattered proletariat reassembles its forces by underground activity. While the proletarian organizations can be destroyed, the proletariat itself cannot be, since it is essential to capitalist production. Underground struggles for democratic rights under fascism, not with the perspective of the restoration of an outworn bourgeois democracy but for the building of a movement led by the proletariat for the establishment of a worker's republic. There is as yet no historical precedent for this development, but Marxian science points to this course as the revolutionary solution of the historic contradictions of fascism.

F. THE REVOLUTIONARY MARXIST PARTY. A party cannot be satisfied with the best of programs. A Marxist program is indispensable but it is in itself not sufficient. The party must know how to apply this program to the conditions within the country, within sections of the country, within given struggles, and within different stages of the class struggle. By correct application of the program the party is enabled to reach the masses. Theory and action are coordinated in one application.

THE PARTY AND THE CLASS. In capitalist society there are only two decisive class forces: the bourgeoisie and the proletariat. The historic mission of one is to maintain the capitalist system, that of the other is to overthrow it. The petty-bourgeoisie is unable to create its own state or party. All so-called parties of the petty-bourgeoisie are in reality bourgeois parties. Where several capitalist parties exist they serve the special interests of bourgeois groups. By claiming to represent the interests of the oppressed classes they really aim to tie them to the bourgeoisie. Anti-trust parties, farmer parties, farmer-labor parties, progressive parties, labor parties, reformist workers parties (Social-Democratic or Stalinist) - in fact all parties except the class party of the proletariat are therefore bourgeois parties whose special purposes are subordinated to the common aims of that class, that of defending the rule of the bourgeoisie and its state. The fact that certain parties appeal to and recruit their members from the working class does not make of them parties of the proletariat. There is and can be but one such party, that which works for the overthrow of capitalism and the establishment of the Dictatorship of the Proletariat.

Two Class Parties. The interests of two classes cannot be represented by one party, without subordinating the interests of one class to the other, small proprietors to the big capitalists, or workers to small owners (and through them to the big capitalists). Under no circumstances, said Lenin in 1906, may the non-possessors organize together with the possessors, "even though they be small ones, even though they 'labor'".

A Labor Party is a reformist bourgeois party. It is an instrument of the bourgeoisie against the proletariat, and secondly an instrument of the petty-bourgeoisie who utilize the workers for their purposes against the big bourgeoisie. The aim of the Labor Party is to reform (i.e. support) capitalism. Affiliation to a Labor Party means subjectively to most workers in the United States a step forward to independent political action. But in terms of the class interests of the workers it is a step backward. The Labor Party builds up a philosophy of gradualism, legality, parliamentarism, and thus prevents the workers from taking real steps toward independent political action. Objectively, therefore, the Labor Party is not a preparation for the formation of a revolutionary class party, as the centrists claim, but is the most effective way of blocking it. It is a trap for holding the workers back from the road to revolution. The role of the British Labor Party, the American Labor Party, the Minnesota Farmer-Labor Party as a brake on the development of the proletariat should be sufficient warning against building this formidable obstacle to the road to power. The party is an instrument of STATE POWER. There is only ONE road to power, and only ONE kind of party that can lead to this goal: the revolutionary Marxist party.

There can be no such thing as a REVOLUTIONARY Labor Party. All such parties are reformist. They deny the role of the Marxist party. Such substitutes cannot fill the bill. They pave the way for war and fascism, just as the reformist Social-Democracy did in 1914, in 1922 in Italy and in 1933 in Germany. Only a revolutionary class party can lead the struggle against WAR AND FASCISM.

Syndicalism. In contrast to Marxism, syndicalism (economism) is the point of view that political consciousness, active leadership, and a mass movement must spring or develop spontaneously from the economic struggle. It glorifies the backwardness of the working class and shirks the issues arising from the struggle for power and the necessity of a revolutionary party. "The basic error (in economism) is the idea that political consciousness can be developed in the workers from within out of, for example, the economic struggle; that is, proceeding entirely or mainly from this struggle...Political consciousness can only be impressed on the workers from the outside; that is, outside the economic struggle, outside the sphere of the relations between workers and employers." -Lenin Without an independent political party, the working class is like a body without a head.

COMPOSITION OF THE PARTY. "Men must be trained who will devote to the revolution not only their free evenings, but their whole lives; an organization must be developed of such dimensions that within it there can be carried out a precise division of labor for the various kinds of work that we want of them." -What Is To Be Done. The party must be formed of the best, most intelligent, self-sacrificing and far-seeing workers. Advanced workers reach class consciousness in different ways, at different times. The working class as a whole does not participate in the creation and development of the party, but only the advanced workers, the vanguard. The dilution of the party by inclusion of sections of the mass who are still permeated with bourgeois ideology renders the party unfit for its historical task and its day to day activity in the class struggle.

CHARACTER OF THE PARTY. (1) To be Marxist the party must be international in character. Capitalism is world wide. All capitalist countries are interdependent. There is no place on earth that has not come under the rule of capital, and no country that can remain unaffected by economic conditions in other countries. The workers revolution is international in scope. The revolutionary party is a world party with sections in every country. The strategy and tactics that this party adopts must be based on the needs of the world proletariat. National parties must sacrifice for the advancement of the revolution in other countries.

(2) "At all times and under all conditions the party must maintain its organizational and political independence. In its relations with other political organizations, in united front actions or other forms of labor cooperation the party, while obligating itself to discipline in common action, reserves the right of criticism and rejects, in principle, all pacts of non-aggression."

(3) The party must be Marxist in character, grounded on Marxian theory and practice, and opposed firmly to all tendencies seeking to divert Marxian principles.

(4) Marxist theory becomes a power when it penetrates the masses. It is the duty of the party to penetrate the trade unions, cooperatives and all working class organizations, to imbue them with a common class purpose and to guide them on the revolutionary road by means of its party fractions. Only by being in the forefront of the workers struggles and by giving them effective leadership and guidance does the party win the confidence of the class.

THE PARTY AND THE REVOLUTION. The party is the driving force, the nerve center and the inspiration of the proletarian revolution. Without it the working class cannot seize power and hold it, no matter how favorable the objective factors may be, no matter how heroic and self-sacrificing its struggle may be.

THE PARTY AND THE WORKERS COUNCILS. The working class cannot take power through the existing governmental apparatus. It can do so only by smashing the state machinery of the capitalist class and establishing in its place its own state power. This power is the workers councils, a representative dictatorship by the working class against any and all who would destroy this rule. By gaining a wide influence and the majority within the councils, the revolutionary party of Marxism enables these councils to carry out their historic functions as instruments of the revolution. The party directs the work of the councils as well as of the revolutionized industrial unions. "Left" communists assert that the party must "adapt" itself to the ideas prevailing in the councils. This is a hazy expression of the reactionary idea that the party should dissolve itself into the councils and that the councils should take over the functions of the party. To perform its historic duty, the party must not adapt itself to the vacillating ideas that may prevail at certain points in the council, but must see to it that the councils do not adapt themselves to the bourgeoisie and to their opportunist agents. Conversely, no concession can be made to those who advocate the "democratic" coexistence under the dictatorship of parties who oppose a complete proletarian revolution alongside of the revolutionary Marxist party.

THE PARTY AND THE PROLETARIAN DICTATORSHIP. The role of the party after the acquisition of power by the working class becomes more important than before. By having within its ranks the best part of the working class it is possible for the party to overcome the difficulties that arise in the dictatorship after the victory of the proletariat. The problem of organizing the Red Army, the practical abolition of the bourgeois governing machine, the construction in its place of a new proletarian state apparatus, the struggle against local and provincial "patriotism", clearing the way for the creation of a new cooperative labor discipline - in all these undertakings decisive leadership is given by the party, whose members by their own example animate, guide the majority of the workers.

THE WITHERING AWAY OF THE PARTY. The necessity for a political party of the proletariat ceases with the complete abolition of classes. The party will disappear when Communism ceases to be an object of struggle, and the whole of society shall have become communist.

Required reading

Communist Manifesto - pp 30-1 (International Publishers)
 Theses on the Role of the Party - II Congress of the CI
 Infantile Sickness of Leftism - Lenin
 Civil War in France - Marx
 What Is To Be Done - Lenin

Suggested reading

War and the Second International - Lenin
 Road To Power - Karl Kautsky
 Militarism and Anti-militarism - Karl Liebknecht
 History of Russian Revolution - Trotsky: Vol. III,
 Lenin on Organization/ "Art of Insurrection"

Lesson Ten

THE FOUR INTERNATIONALS

A. TENDENCIES IN THE WORLD LABOR MOVEMENT. The World War brought sharply to the fore the old differences existing between the basic tendencies in the world labor movement: reformism; centrism and revolutionary Marxism.

REFORMISM is the expression of the interests of the capitalist class in the ranks of labor. It is a doctrine and system of tactics designed to subordinate the proletariat to the bourgeoisie. It is essentially counter-revolutionary. Its classical representatives today are the parties of the Second and Third Internationals. *REVOLUTIONARY MARXISM represents the interests of the international proletariat as a whole. It organizes its independent class activity, unifies its struggles on a national and international scale and puts the proletariat at the head of the struggle for emancipation of all the oppressed classes in society. It aims at the forceful overthrow of the capitalist system and the building of a socialist society. It participates in the struggles of the proletariat for immediate demands as a means to this end. Its classical representatives in this generation have been the Bolshevik party and the Communist International under Lenin's leadership. CENTRISM is the expression within the labor movement of the pressure both of the bourgeoisie and of the proletariat. It attempts to reconcile revolutionary aims with opportunist means, to combine revolutionary phraseology with reformist practice. It is unstable, vacillating between reformism and revolutionary Marxism. In periods of sharpening class struggle it tends to disintegrate, its elements flying to the camps of the revolution or reformism. In periods of lull, it may consolidate and even attract and trap forces moving toward revolutionary Marxism. It constitutes an obstacle on the road to revolution. The designation "centrist" does not sufficiently characterize a tendency or movement. The irreconcilables it is trying to reconcile must be specified concretely; also its general direction and how far it has travelled. Centrism is the subjective expression in the labor movement of the objective situation of the petty-bourgeoisie, crushed between the major classes.

B. HISTORICAL SETTING OF THE INTERNATIONALS. Each of the three internationals played a decisive role in history. They correspond to the three main stages of capitalist development. Shortly after the birth of capitalism when the proletariat first began to assume an independent role in the class struggle the First International arose. The Second International was founded and grew with developing capitalism. The Third International was the outcome of the World War and the victorious October Revolution in the stage of capitalist decline.

C. THE FIRST INTERNATIONAL (1864-76) Before the revolutions of 1848 there existed a secret international organization known as the Communist League. Marx and Engels were its founders and leaders. They were commissioned to write its program, the Communist Manifesto (1847) which laid down the basic concepts of the revolutionary working class movement. Following the revolutions of 1848, capitalism entered a period of lusty growth. National labor unions sprang into being in England and France. The cotton famine produced by the American Civil War (1861-5) and the Polish Insurrection of 1863 gave a profound impetus to the European labor movement. Out of the growing demand of European unions for international solidarity against scabbery organized by mass importation of foreign workers in labor disputes, the International Workingmen's Association was organized in 1864 at a

congress in London. It has since been known as the First International.

Throughout its life the First International was torn by internal struggle over policy. The communists under Marx and Engels had first to fight and defeat the Proudhonists, a movement inspired by ruined French small producers who advocated a gradual substitution of capitalism by mutual credit and cooperative associations. In the second half of its existence a fierce struggle was fought against the anarchists led by Bakunin, who believed that smashing the state alone could solve all social problems. He regarded all participation in day-to-day struggles as rank opportunism. He maintained that not the industrial proletariat but the pauperized peasantry, the lumpenproletariat and the young intellectuals would make the revolution. In the main the IwMA was an international organization of revolutionary propaganda groups rather than a mass organization of workers.

In 1871 the International took part in the Paris Commune, the first great struggle of the workers for power. After its defeat the reactionary forces persecuted the International in every land. A wave of reaction swept all capitalist countries. In 1870 the Bakuninists set up a rival organization in Switzerland. This was the beginning of the end. The International office was transferred from London to New York and then to Philadelphia, where it died in 1876, just a few years after the Commune. With all its shortcomings the First International laid the foundation for proletarian internationalism. Its service to the proletariat must not be underestimated.

D. THE SECOND INTERNATIONAL (1889-1914) After 1871 capitalism developed industry on a gigantic scale. Huge combines dominated economy. The earth was divided among the leading powers. A struggle arose among them for a new division. Again the working class movements surged forward. Socialist parties began to grow in various countries. In 1889 an international conference of these parties was held and organized the Second International.

The Second International was more homogeneous ideologically than the First. It was all "socialist". The German and Austrian Social Democracy, Socialist Party of France, labor parties in Belgium and England, and the American Socialist Party were all affiliated. Within the International, however, were united the two otherwise irreconcilable tendencies of revolutionary Marxism and reformism: Debs, Berger, DeLeon; Hardie, Hyndman, Henderson and MacDonald; Bebel, Bernstein, Kautsky and Luxemburg; Bulgarian orthodox Marxists ("Narrows") and the revisionists ("Broads"); Pannekoek, Gorter and Troelstra; Lenin, Plechanov, Martov and Martinov; Jaures and Guesde - were all part of the Second International. The Right and Left Wings represented basically different class forces. The "center" (Kautsky) was the link between the two. It was the buffer protecting the Right wing against Marxist criticism and acting as a screen behind which the Right Wing everywhere took control of the key positions in the various parties.

In the absence of convulsive revolutionary struggles the socialist parties placed all emphasis on day-to-day reforms and in practice forgot, except for verbiage, the revolutionary goal. Thus they became reformist parties. They revised Marxist theories to conform to their day-to-day practices.

E. SECOND INTERNATIONAL AND THE STATE. The Socialist International rejects the Marxian theory of the state. Its Right Wing regards the state not as an instrument of class oppression but rather as a permanent and necessary organ which serves society as a whole. It stands above and removed from class relations. Other theoreticians of the Second International admit the class nature of the state, but believe society under capitalism can,

through the pressure of the working class, develop more and more democracy until socialism can gradually be introduced. The Second International* to all dictatorships, including the dictatorship of the proletariat. Pure democracy is an absolute principle with them, regardless of particular social or class settings. They reject the Marxist method of analysing society.

The tactics and strategy flowing from these theoretical conceptions of the Second International have brought the workers nothing but setbacks. In 1914, at the crucial moment, the leading sections of the International threw overboard all Marxist pretensions and came out in support of "their" countries. To cap this treachery, they openly aided their capitalists in suppressing revolutionary uprisings, as in Germany.

Since the war, the October Revolution and the rise of the Third International, the Second International has taken on new life. The "stinking corpse" again has a being. The period of its new lease on life closely corresponds to and is explained by the degeneration of the Comintern. A new revolutionary wave will deal a death blow to both these treacherous bodies.

F. COLLAPSE OF THE SECOND INTERNATIONAL. The decisions adopted at the Basle (Switzerland, 1912) congress of the Second International to oppose war and to organize socialist revolts in case of an imperialist war were ignored when the war broke out. All the big parties became social-patriotic - socialist in words, patriotic in deeds - except the Swiss, Italian, Russian, Serbian and a few other minor parties. From then on it was clear to the revolutionists that no matter how large the parties, or how big the mass following, the fact remained that the INTERNATIONAL COULD NOT BE REFORMED, could not be used as an instrument for the revolution.

The Second International serves only to hinder the development of workers to a revolutionary position. The Second International may contain militants and leftward moving elements. These elements must be made to see the implications of their position, to realize they must break with the Socialist International, that only a new, Marxist International - the Fourth - can lead the workers of the world to victory.

G. ZIMMERWALD. When the war broke out the International Socialist Bureau refused to convene the Congress which was to have dealt with the war. Clara Zetkin, secretary of the Women's Bureau, called an International Women's Congress at Berne, Switzerland in March, 1915 where anti-war resolutions were adopted. The resolution of the Bolsheviks was rejected. In September 1915 the Italian SP together with the Swiss party convened the first real anti-war International Conference at Zimmerwald, Switzerland. Lenin's resolution: "Convert the imperialist war into a civil war" and break with the Second International was overwhelmingly rejected. The conference condemned the pro-war socialists, urged workers to unite for socialism and peace, but barely mentioned the International Socialist Bureau. The Second Zimmerwald Conference (held at Kienthal, Switzerland in March, 1916) again rejected Lenin's resolution but for the first time denounced the "social-nationalists" and "bourgeois pacifism". It called peace under capitalism an illusion. It condemned the ISB in detail. The centrists were still dominant but losing ground. These two conferences prepared the ground for the Third International.

H. THE THIRD INTERNATIONAL (1919-28) The victory of the Bolsheviks under the leadership of Lenin and Trotsky and the establishment of the Soviet government placed Russia in the forefront of the international working class movement. Here was the material basis for the establishment of the

the Third International - the task set by Lenin in 1914. Without such a basis the founding of the International would have been a travesty.

The Third International was established in 1919. It immediately became the center for revolutionary forces both within and without the Soviet Union for the maintenance and extension of the October Revolution to other countries. It attracted myriads of new forces, many of which never fully assimilated the basic principles of revolutionary Marxism.

The first four congresses of the Comintern (up to the 1923 defeat in Germany when Lenin died) made classical contributions to Marxist theory and practice. No revolutionist today can afford to be without their guidance. All important actions of the proletariat in all countries were subjected to minute scrutiny. The basic laws of revolutionary strategy and tactics were formulated and applied in all countries. From 1923 on, however, the isolation of the revolution in Russia as a result of the numerous defeats in Europe laid the foundation for the adaptation of the Comintern to the coexistence of the Soviet state with the capitalist environment (Socialism In One Country). The Communist International degenerated steadily into a mere frontier guard or foreign office, serving the narrow national interests of Russia. It no longer represented the interests of the world proletariat and ceased to be the revolutionary Marxist Party. (See page 30)

Theoretically the Comintern has revised Marxism on a series of fundamental questions. Here are the most important: 1. The international character of the proletariat and the revolution; 2. The relation of class to party (Kuo-mintang); 3. The nature of the capitalist state and democracy (People's Front); 4. The road to power (Democratic Dictatorship of the Proletariat and Peasantry and against the Dictatorship of the Proletariat); 5. Struggle against war and fascism (Social-fascism on one hand and Leagues Against War and Fascism on the other); 6. Character of the Trade Unions (red trade unionism). Ideologically and politically the Comintern has been brought to the position of the Social Democracy. The Fifth and Sixth Congresses widened the gap between Stalinism and Marxism and marked the final repudiation of the revolutionary tasks of the proletariat. The CI has long become a counter-revolutionary force and an objective ally of the world bourgeoisie. Like the Second International it may undergo a period of growth in one country or another, but IT CAN NEVER BE REFORMED. It can lead the proletariat only to defeat. It is the duty of all revolutionary elements to break with it politically and organizationally, and join in the building of the Communist Fourth International.

I. THE FOURTH (COMMUNIST) INTERNATIONAL. The fate of the proletariat and of mankind as a whole depends today upon the creation of a new communist world party, the Fourth International. Its foundations must be laid today, in spite and because of the disintegration which has swept through the world labor movement since the rise of Fascism. A firm clear vanguard working for a new communist international is the only means to counteract this tide of disintegration. The Third International was established on the wave of victorious revolution. But the Russian victory was possible only because the directing forces had been prepared by years of struggle against opportunism during the period of disintegration after 1905 and 1914. The Marxists face the preliminary task today of creating a propaganda and organizing center for the new International, to gather and steel the forces to work for the victorious outcome of the next revolutionary upswing of the movement.

SPURIOUS INTERNATIONALS. The movement may expect various abortive attempts by immature or treacherous elements who have broken with the Second or Third Internationals or both, to mechanically set up paper propoganda centers or actual "internationals". The Trotskyists, for example, have founded two such scarcely more than two years apart, behind the backs and without the participation of any section of the world proletariat. Such travesties tend to discredit the Marxist conception of a revolutionary proletarian international, should it become widely known. In trying to escape from their self-imposed isolation, the Trotskyists have veered from the policy of building the 4th International through the Second back to a policy of proclaiming another paper Fourth International opposing the Stalinist Third. A living international must be in a position to TAKE THE PLACE OF, not merely oppose the reformist bodies. It must organize and lead millions of workers through decisive victories against the capitalist system. It must DISPLACE THE CORRUPT INTERNATIONALS IN ACTION. This the paper "internationals" cannot do. The revolutionary masses are the stuff out of which a revolutionary Marxist International is made.

"The Communist International is the concentrated will of the world proletariat. Its mission is to organize the working class of the whole world for the overthrow of the capitalist order and the establishment of Communism. . . The working masses will overcome all obstacles and create this new International. The present triumph of opportunism is short-lived. The greater the war losses, the clearer it will become to the working masses that the opportunists betrayed the cause of the workers and that it is necessary to turn the weapons against the governments and the bourgeoisie of their respective countries." -Lenin

Required reading

War and the Second International - Lenin
 Theses of the II Congress (Comintern)
 Workers Answer to Boss War (RWL)

Suggested reading

History of the First International - Steklov

APPENDIX

HOW TO ORGANIZE AND CONDUCT SUCCESSFUL STUDY GROUPS

Thousands of workers are seeking a way out of conditions becoming daily more intolerable. In every community it is not difficult to bring together a group willing and eager to study Marxian science, provided they have the assurance that the study will really teach them how to understand and influence the world they live in.

In assembling the group, select elements who not only want to KNOW but who want to PUT THEIR KNOWLEDGE TO USE. Windbags and dilettantes looking for a place to spout off should be excluded at the outset.

SIZE OF CLASS. Too large a class is an obstacle. This course implies intensive study. When there are more than ten or twelve many members of the class will not be able to discuss and digest the material properly. Six or eight is a good size to begin with.

OBJECT OF THE CLASS. Marxism is not an academic study. It is a training for action in the class struggle. This training, of course, will open up NEW FIELDS OF STUDY. But the mastery of each new field increases by that much the value of the student's ACTIVITY. The goal of the study of Marxism therefore is a combination of scientific study and revolutionary action.

ORGANIZATION OF THE CLASS. Library. Before beginning the class it is important to have available for use the reading material indicated at the end of each lesson. Demos Press will supply almost all items on the reading list at cost. But there are certain inexpensive elementary Marxist works that every member of the class should be required to own. These are: The Communist Manifesto, Value Price and Profit, Wage-Labor and Capital, Origin of the Family, Private Property and the State and Socialism, Utopian and Scientific. These items constitute the beginning of a Marxist library. Copies for all should be on hand at the first session of the course.

Registration. Impress on the applicant that he is registering for a complete 10 week course of connected study and not for a weekly forum. Unless he intends to go through with the entire course, the registration should not be made. Strict adherence to this rule will immensely improve the character of the course.

Fee. Experience has shown that charging a nominal fee establishes a sound relationship between the member and the course as a whole. It also makes for regular attendance and a greater concentration on the subject matter. Where the fee cannot be paid in a lump, it can be paid in installments, but not for each session. The latter rule is necessary to discourage casual attendance. Where a worker is unable to pay the fee free tuition may be offered after consideration by the class committee.

Records. Strict record should be kept of registration and fee payments, of attendance, of the reading done by each member outside of the class and of the written answers to review questions made in the class. For this purpose a secretary or class committee (according to the size of the class) should be elected to assist the class leader.

CLASS LEADER. Often the biggest obstacle to a successful class is the lack of a qualified leader. By "qualified" is not necessarily meant one who has great Marxist erudition, but rather one who has the ability to guide, stimulate and integrate the class and the material with life and the class struggle. Very often inexperienced people possess this quality. For such leaders, the following is presented as guiding principles:

1. The members of the class do not expect you to know it all. Assume you are one of the class, learning and profiting along with the rest. Earn the recognition of the class by PREPARING yourself between sessions on the material assigned. Admit you do not know when you don't. Never give a phony or evasive answer to a serious question.
2. When a question arises which you are not immediately capable of answering, assign the point to a member of the class to look up and report at the following session. At the same time ALWAYS DO SO YOURSELF. At first there may be a problem where to look for the desired information. If there are no local sources available, Demos Press will always be glad to get it for you. Be honest with the group consistently and you will build up your integrity and, in the final analysis, the integrity of the movement.

Class Method. 1. Marxism is not a set of dogmas to be memorized. It is a method of thinking and a guide to action. Every obscure or "unreasonable" point can be resolved by discussion and demonstration.

2. Encourage the habit of NOTE-TAKING, both at home and in the class. Every member is expected to jot down (1) points NOT UNDERSTOOD; (2) points with which he DISAGREES, for discussion in the class; and (3) definitions, formulae or striking statements which he considers worth preserving. The notebook will become a valuable treasure of information and material.

3. Make the following clear to the members of the class: In this elementary course they cannot hope to cover and assimilate the material simply by listening to the lecture and discussion. They must make up their mind to spend not less than one evening per week studying the material assigned. As many of the class as can should get together during the week to argue out points. In any case each member is expected to come to class prepared to give a report on all of the assigned reading. Three quarters of the value of the course is lost to those who merely sit and listen.

4. REGULARITY OF ATTENDANCE is essential. Better an individual not attend at all than drop in once in a while. The casual visitor demoralizes the class and hampers continuity of study. He raises questions previously dealt with and wastes the precious time of the group by raising questions the class has already covered. Strict adherence to this rule will amply repay the class. Casual attendance will convert the class from one of intensive study to the open forum type of loose discussion.

5. Aim to COMPLETE THE COURSE or do not start it. Every uncompleted course makes the following course harder to begin. Go through with it. In doing so the morale of the members is lifted. They can say: WE HAVE GONE THROUGH this course - as something definitely accomplished. This will redound beneficially to the leader and to the class. Both the leader and the class as a whole will learn HOW TO CONDUCT the course.

6. Each session should be roughly divided into three parts of one half hour each. The entire session should not be over one and one half hours long. The first part is devoted to discussion and digestion of the reading material assigned the previous week. After determining and recording how much of the assigned material each member has read, two or three questions should be dictated for answer in writing. The written answers should be discussed by the entire class. The second part should be devoted to a presentation by the class leader of key material for the following session. This key material can be found in the text of this pamphlet. After assigning the reading for the following session the leader then, in the third part, throws the floor open for discussion of all the points of agreement and disagreement recorded in the notebooks.

7. The object of CLASS DISCUSSION is to stimulate workers to think out problems for themselves. The leader should prepare leading questions designed to do so. Do not allow the more capable comrades to monopolize the floor. Spread the questions around to cover all comrades, not forgetting the shy and backward members of the class. Let them present their own ideas, even if wrong. The class can criticize and discuss them. Allow the members to correct their own errors. A good leader will talk little - except in the second (lecture) part - but will guide the discussion, so that the class itself will develop the point of the lesson.

PRACTICAL WORK. There will become evident, after the class has progressed three or four weeks, a close and living connection between the subject matter and the actual labor movement. The leader should plan, together with the League unit - where there is one - or with the class committee, various activities designed to illustrate that connection. Union and labor defense mass meetings, political demonstrations, picket lines should be visited and participated in. Leaflet distributions to industrial plants, visitations and discussions with contacts and reports of their arguments for or against Marxism should be made to give the class a practical understanding of the functioning of a revolutionary Marxist organization.

With these simple rules as a basis, and with others that the class leader will develop through his own experience, serious groups can take great strides towards the development of a new cadre of revolutionary Marxists in this country.

"Marx and Engels have left a monument stronger than any granite, more eloquent than any epitaph. They have left us a method of scientific research, rules of revolutionary strategy and tactics. They have left an inexhaustible treasure of knowledge which is still serving as a fathomless source for the study and comprehension of surrounding reality." ---from MARX AND ENGELS by Riazanov.